

District of Ontario  
Division No. 09 - Mississauga  
Court File No. 32-3213105  
Estate No. 32-3213105

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.  
OF THE CITY OF MISSISSAUGA,  
IN THE REGIONAL MUNICIPALITY OF PEEL,  
IN THE PROVINCE OF ONTARIO.

FIFTH REPORT OF THE PROPOSAL TRUSTEE  
SEPTEMBER 23, 2025

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## INTRODUCTION

1. On April 17, 2025, Indeed Laboratories Inc. (“**Indeed**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *Bankruptcy & Insolvency Act* (the “**BIA**”). BDO Canada Limited was named as the Licensed Insolvency Trustee (in such capacity, the “**Proposal Trustee**”) in these proceedings (the “**Proposal Proceedings**”).
  2. Michael B. Davidson (“**Michael**”) is the sole director of the Company. The background and circumstances leading to the Company’s NOI filing are described in the First Report of the Proposal Trustee dated April 23, 2025 (the “**First Report**”) and the Affidavit of Kevin Watkinson sworn April 23, 2025.
  3. On April 24, 2025, the Court granted an order (the “**Apr 24 Order**”), *inter alia*:
    - (i) authorizing the Company to enter into an interim financing term sheet with 1000481370 Ontario Inc. (now known as Indeed Laboratories Ltd.) (in such capacity, the “**DIP Lender**” or “**370 Ontario**”) dated April 22, 2025 (the “**Term Sheet**”), to obtain interim financing of up to \$500,000 to facilitate the continued operations of the Company during these proceedings and 370 Ontario was granted a \$500,000 second ranking priority charge over all of the Company’s assets, undertakings and property to secure repayment of the financing; and
    - (ii) authorizing interim advances under the Term Sheet of up to \$75,000 until further order of the Court.
- A copy of the Apr 24 Order and Endorsement of Justice J. Dietrich are attached as **Appendix ‘I’**.
4. In support of the April 24, 2025 motion, the Proposal Trustee filed its First Report (the “**First Report**”) dated April 23, 2025. A copy of the First Report, without appendices, is attached as **Appendix ‘II’**.
  5. On May 2, 2025, the Court granted the following Orders:
    - I. An order (the “**Sales Process Order**”) which, *inter alia*:
      - (i) approved a Sales Process for the Company’s business and assets (the “**Property**”), to be administered by the Proposal Trustee;
      - (ii) approved and authorized Indeed to enter into the stalking horse purchase agreement dated April 29, 2025 (the “**Stalking Horse Bid**” or the “**APA**”) with

- 370 Ontario, or its nominee (in such capacity, the “**Stalking Horse Bidder**” or the “**Purchaser**”). A copy of the APA is attached as **Appendix ‘III’**; and
- (iii) approved the payment and priority of the Expense Reimbursement as provided for in the Stalking Horse Bid; and

II. An ancillary order (the “**May 2 Ancillary Order**”) which, *inter alia*:

- (i) approved the First Report, the Second Report and the conduct and activities of the Proposal Trustee contained therein;
- (ii) approved a \$250,000 first ranking priority charge over all of the Company’s assets, undertakings, and property (the “**Administration Charge**”) in favour of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company (collectively, the “**Professional Group**”) to secure payment of their professional fees and disbursements;
- (iii) authorized an increase in the amount the Company is authorized to borrow up to the maximum of the \$500,000 under the Term Sheet; and
- (iv) approved an extension of the time required for the Company to file its proposal from May 17, 2025, to July 1, 2025.

A copy of the Sales Process Order is attached as **Appendix ‘IV’** and a copy of the May 2 Ancillary Order is attached as **Appendix ‘V’**.

- 6. In support of the May 2, 2025 motion, the Proposal Trustee filed its Second Report (the “**Second Report**”) dated April 30, 2025. A copy of the Second Report, without appendices, is attached as **Appendix ‘VI’**.
- 7. On June 27, 2025, the Court granted an order which, among other things, approved an extension of the time required by the Company to file its proposal from July 1, 2025 to August 15, 2025 (the “**Second Extension Order**”). A copy of the Second Extension Order is attached as **Appendix ‘VII’**. In support of the Second Extension Order, the Proposal Trustee filed with this Court its Third Report dated June 26, 2025 (the “**Third Report**”). A copy of the Third Report, without appendices, is attached as **Appendix ‘VIII’**.
- 8. On August 15, 2025, the Court granted an order which, among other things, approved an extension of the time required by the Company to file its proposal from August 15, 2025 to September 29, 2025 (the “**Third Extension Order**”). A copy of the Third Extension Order is attached as **Appendix ‘IX’**. In support of the Third Extension Order, the Proposal Trustee

filed with this Court its Fourth Report dated August 7, 2025 (the **“Fourth Report”**). A copy of the Fourth Report, without appendices, is attached as **Appendix ‘X’**.

#### **PURPOSE**

9. This is the fifth report of the Proposal Trustee (the **“Fifth Report”**) filed in the Proposal Proceedings. The purpose of the Fifth Report is to:

a) provide this Court with information regarding:

- (i) the Proposal Trustee’s activities since the Fourth Report;
- (ii) an update on the sale to the Staking Horse Bidder; and
- (iii) the Stalking Horse Bid and the transaction contemplated therein (the **“Transaction”**);  
and

b) support the Company’s motion seeking:

I. an order (the **“Approval and Vesting Order”**), among other things:

- (i) approving the APA and the Transaction contemplated therein;
- (ii) authorizing and directing the Company to perform its obligations under the APA and take additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction;
- (iii) upon filing a certificate by the Proposal Trustee substantially in the form attached as Schedule “A” to the Approval and Vesting Order (the **“Trustee’s Certificate”**), vesting in Indeed Laboratories Ltd., all of the right, title and interest of the Company in and to the Purchased Assets (as such term is defined in the APA), free and clear of all Claims and Encumbrances, other than Permitted Encumbrances (as each term is defined in the APA);

II. an order (the **“Ancillary Order”**), among other things:

- (i) approving the Fifth Report, the appendices attached hereto, and the conduct and activities of the Proposal Trustee described herein;
- (ii) approve the fees and disbursements of the Proposal Trustee and its counsel, as set out in the Fifth Report and the fee affidavits appended to the Fifth Report (the **“Fee Affidavits”**), including the Fee Accrual;

- (iii) authorizing the Company, on or prior to closing of the Transaction, to distribute the full outstanding indebtedness owing to the DIP Lender, which the Company had drawn upon under the Term Sheet;
  - (iv) granting an extension of the time required for the Company to file its proposal from September 29, 2025, the date the current stay expires, to November 13, 2025 (the “**Fourth Stay Extension**”); and
  - (v) such further and other relief as the Court may deem just and equitable.
10. All materials filed with the Court in the Proposal Proceedings are accessible on the Proposal Trustee’s website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/IndeedLabs> (the “**Proposal Trustee’s Website**”).

#### **TERMS OF REFERENCE**

11. In preparing the Fifth Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Company, discussions with management of the Company (“**Management**”), and information from other third-party sources (collectively, the “**Information**”). Except as described in the First Report, the Second Report, the Third Report, the Fourth Report and the Fifth Report in respect of the Cash Flow Forecast:
- (a) the Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposal Trustee 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 Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) some of the information referred to in the Fifth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
12. Future-oriented financial information referred to in the Fifth Report was prepared based on

Management'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 variation could be significant.

13. Unless otherwise indicated, the Proposal Trustee's understanding of factual matters expressed in the Fifth Report concerning the Company and its business is based on the Information, and not independent factual determinations made by the Proposal Trustee.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
15. Capitalized terms used herein and not defined in the Fifth Report shall have the meaning ascribed to them in the First Report, the Sales Process, the Second Report, the Third Report or the Fourth Report, as the case may be.

#### **PROPOSAL TRUSTEE'S ACTIVITIES**

16. Since the date of the Fourth Report, the Proposal Trustee has undertaken the following activities:
  - a) attended the Company's motion, which occurred on August 15, 2025;
  - b) uploaded all court materials and maintained the Proposal Trustee's Website for these Proposal Proceedings;
  - c) participated in various calls with Management;
  - d) continued to assist the Company with stakeholder communications;
  - e) continued to respond to calls, e-mails and queries received from creditors and other parties;
  - f) assisted the Company in maintaining and negotiating continued customer relationship with Shoppers Drug Mart ("**SDM**");
  - g) reviewed the Company's actual cash receipts and disbursements and variances to budget for the same time period as outlined in the Cash Flow Forecasts;
  - h) prepared this Fifth Report; and
  - i) attended to other matters pertaining to the administration of these Proposal Proceedings.

## THE SALES PROCESS

17. The Proposal Trustee, in consultation with the Company, developed the Sale Process intended to solicit interest in and opportunities for the sale of all, substantially all, or a portion of the Property.
18. The Proposal Trustee engaged BDO Canada Transaction Advisory (the “Sales Agent”) to assist in carrying out the Sales Process previously approved by the Court.
19. The Sales Agent prepared and circulated the Teaser and the NDA to the 110 potential bidders identified by the Proposal Trustee in consultation with the Company’s Management. Fourteen (14) interested parties signed the NDA and were provided with access to the VDR to allow them to perform their due diligence.
20. The Sales Agent followed up with the interested parties between two and three times during the Sales Process. For the 110 potential bidders, 57 were not interested and 39 did not respond.
21. At the June 13, 2025 Bid Deadline, three (3) parties actively continued with their due diligence. Accordingly, the Proposal Trustee and Management determined it was necessary to extend the Bid Deadline to allow the parties time to complete their due diligence. The Sales Agent communicated to the remaining parties that the Bid Deadline would be extended to 5 p.m. on June 18, 2025 (the “Extended Bid Deadline”).
22. As reported in the Third Report, no Bids were received by the Extended Bid Deadline. Further, these parties advised the Sales Agent they would not be submitting an offer. Pursuant to the court approved Sales Process, with no Superior Bid received, the Stalking Horse Bidder was declared to be the Successful Bidder, and the APA the successful bid subject to Court approval.
23. As reported in paragraph 3 above, effective September 16, 2025, 370 Ontario became legally known as Indeed Laboratories Ltd. A copy of the Certificate of Amendment is attached as **Appendix ‘XI’**.
24. Subsequent to determining it was the Successful Bidder, Indeed Laboratories Ltd. has been taking steps to prepare for the seamless closing of the Transaction, including extending offers for employment to the Company’s employees, negotiating a new supply agreement with SDM and arranging other ancillary operational requirements.

## **THE TRANASACTION**

25. Salient terms of the APA are as follows:

- a) provides for the purchase of all or substantially all of Company's business and Property;
- b) retention of all of the Company's employees;
- c) Indeed Laboratories Ltd. is also the DIP Lender and senior secured creditor;
- d) the purchase price to be paid by the Indeed Laboratories Ltd. is comprised of i) a credit bid amount totaling \$4,900,000, and ii) cash payment of all amounts ranking in priority to the Stalking Horse Bidder's security including the fees of the Professional Group;
- e) an assignment and assumption of certain material contracts of the Company; and
- f) conditional only upon court approval and the granting of the AVO.

## **PROPOSAL TRUSTEE'S RECOMMENDATION**

26. The Proposal Trustee is of the opinion it has marketed the Company's Property to its fullest which resulted in the key industry competitors and other potentially interested parties performing their due diligence and assessing the opportunity.

27. Indeed Laboratories Ltd. is prepared to close subsequent to the receipt of the Approval and Vesting Order.

28. The Proposal Trustee supports the approval of the APA, for the following key reasons:

- a) Indeed Laboratories Ltd. submitted the only offer;
- b) Indeed Laboratories Ltd. is prepared to close following of receipt of the Approval and Vesting Order, as stipulated in the APA;
- c) Total secured debt, including interim advances under the Term Sheet, are estimated to be in excess of \$10,000,000, of which approximately 90% is owed to Indeed Laboratories Ltd. as the first ranking secured creditor. The Proposal Trustee has considered an orderly liquidation of Indeed's assets in assessing the APA and believes the secured creditors will suffer a material shortfall on their security in an orderly liquidation;
- d) Preservation of ten (10) jobs.

- e) The Transaction is more beneficial to the Company's creditors, customers and other stakeholders than liquidation in a bankruptcy; and
29. The Proposal Trustee has no reason to believe that additional marketing would result in a better offer for the Company's Property. Moreover, continuing the Sales Process would involve further time and expenses, including, but not limited to, professional fees, payroll and employee related expenses, operational expenses, etc.
30. Therefore, the Proposal Trustee respectfully recommends that this Court: i) approve the APA; ii) authorize and direct the Company to carry out the terms of the APA; and iii) vest the Company's right, title and interest in and to the Purchased Assets to Indeed Laboratories Ltd. upon closing of the transaction contemplated in the APA and the delivery to the Purchaser of the Trustee's Certificate.

#### INDEED'S RECEIPTS AND DISBURSEMENTS TO DATE

31. The Company's actual net cash inflow for the twenty (20) week period ended September 14, 2025 was \$140,600 compared to a forecasted net cash outflow of \$658,059 over that same period as outlined in the Cash Flow Forecast. This positive variance is summarized below:

	Week ending September 14, 2025		
	Projection	Actual	Variance
<b><u>Receipts</u></b>			
CAD AR	\$ 819,741	\$ 1,251,455	\$ 431,714
US AR	105,460	107,086	1,626
<b>Total receipts</b>	<b>\$ 925,201</b>	<b>\$ 1,358,541</b>	<b>\$ 433,340</b>
<b><u>Disbursements</u></b>			
Salaries	260,080	261,411	1,331
Source Deductions	135,600	142,536	6,936
HST	75,000	47,579	(27,421)
VAT	10,000	7,142	(2,858)
Rent	83,000	89,540	6,540
Property tax & Utilities	30,080	37,890	7,810
Marketing Costs	205,000	102,468	(102,533)
Warehouse Costs	57,000	41,199	(15,801)
Shipping costs	81,000	48,421	(32,579)
Inventory Purchases	189,500	122,318	(67,182)
Miscellaneous	57,000	68,237	11,237
Professional fees	400,000	249,203	(150,797)
<b>Total disbursements</b>	<b>\$ 1,583,260</b>	<b>\$ 1,217,941</b>	<b>(\$365,319)</b>
<b>NET CASH FLOW</b>	<b>(\$658,059)</b>	<b>\$ 140,600</b>	<b>\$798,659</b>
Opening bank position	\$ 206,615	\$ 83,492	\$ -
Closing cash (deficit)			
Funding from DIP Facility	515,880	50,000	(\$465,880)
<b>Closing cash (deficit) after DIP funding</b>	<b>\$ 64,436</b>	<b>\$ 274,092</b>	<b>\$ 209,656</b>

32. An explanation of the key variances are:

Receipts

- (i) The Company's collection of approximately \$123,000 of accounts receivables was allocated to the week ended April 20, 2025. However, the accounts receivable was not recorded in the Company's bank account until April 21, 2025, the first weekly monitoring period, thus creating a positive variance; and
- (ii) The Company successfully negotiated, with the assistance of the Proposal Trustee, the continued supply of products to SDM, wherein SDM acknowledged and accepted any pre-filing amounts owing to SDM were caught by the NOI filing and SDM would not offset pre-filing claims against amounts owing for new orders submitted to Indeed. This allowed the Company to continue to fill new orders placed by SDM and complete additional sales over and above what Management had initially projected.

Disbursements

- (i) The Company has had sufficient inventory to fill orders and has not been required to supplement with many new inventory purchases;
- (ii) Management has actively managed its marketing, and other, costs to reduce expenses that they determine would not result in an immediate return on investment; and
- (iii) HST and Professional fee positive variances continue to be timing issues.

**EXTENDED CASH FLOW PROJECTIONS**

- 33. The Company's Amended Cash Flow, as reported in the Third Report, was up to and including the period ending September 28, 2025.
- 34. In support of the Company's request for the Fourth Stay Extension, the Company has further extended its cash flow projections to the period ending November 16, 2025 (the "**Second Amended Cash Flow**"). A copy of the Second Amended Cash Flow is attached as **Appendix 'XII'**.

**EXTENSION OF STAY OF PROCEEDINGS**

- 35. The Company and Indeed Laboratories Ltd. anticipate certain items that will require the Company's assistance post-closing of the Transaction, including, but not limited to:
  - (a) the continued collection of the remaining accounts receivable; and

- (b) the transfer of the Assumed Contracts (as such term is defined in the APA).
36. Sections 2.10 and 9.1 of the APA provide for the continued post-closing assistance of the Company to Indeed Laboratories Ltd., in the capacity as bare trustee.
37. In addition to requirements of Sections 2.10 and 9.1 of the APA, the Company and Indeed Laboratories Ltd. are of the opinion that the continued assistance of the Company would provide for certain efficiencies, including the uninterrupted transitioning of the business, Purchased Assets and the Assumed Contracts. Accordingly, the Company is seeking the Fourth Stay Extension.
38. The Third Extension Order provided the Company with an extension of the stay of proceedings from August 15, 2025 to September 29, 2025.
39. The Proposal Trustee supports the Company's request for the following reasons:
- a) the extension of the stay would allow for the continued transition of certain operational items subsequent to the closing of the Transaction;
  - b) the Company has acted and continues to act, in good faith and with due diligence;
  - c) Indeed Laboratories Ltd. has agreed to fund the ongoing professional fees, and ancillary expenses, associated with the Fourth Stay Extension; and
  - d) no creditor would be materially prejudiced if the extension being applied for is granted.
40. Based upon the Second Amended Cash Flow as presented, and the ability to draw upon the Court approved DIP Financing of approximately \$500,000 during the Second Amended Cash Flow period, the Company has sufficient cash on hand for the term of the Second Amended Cash Flow, in the event needed. However, as reported above and reflected in the Second Amended Cash Flow, Indeed Laboratories Ltd. has agreed to pay the ongoing professional fees and ancillary costs associated with the Fourth Stay Extension.

#### **INTERIM FINANCING**

41. The Apr 24 Order approved the DIP Lender, the Term Sheet and authorized interim draws under the Term Sheet to \$75,000. The Apr 24 Order further granted the DIP Lender a \$500,000 second ranking priority charge over all of the Company's assets, undertakings and property to secure repayment of the financing, behind the Administration Charge for the Professional Group.

42. The May 2 Ancillary Order authorized an increase in the amount the Company is authorized to borrow under the Term Sheet to a maximum of \$500,000.
43. To date the Company has only found it necessary to draw upon \$100,000.
44. Accordingly, the Company is seeking authorization of the Court to distribute to the DIP Lender an amount owing to the DIP Lender under the Term Sheet, to the date of repayment. The Professional Group does not object to the repayment.

#### **PROFESSIONAL FEES**

45. The Proposal Trustee and its legal counsel, Chaitons LLP (“**Chaitons**”), have been paid their fees and disbursements at their standard rates and charges by the Company from time to time, as part of the costs of the Proposal Proceedings.
46. The Proposal Trustee and Chaitons have maintained records of their professional time and costs. The Proposal Trustee now requests approval of its interim fees and disbursements for the period from April 11, 2025 to August 31, 2025, and the interim fees and disbursements for Chaitons for the period from April 4, 2025 to August 15, 2025.
47. The total interim fees and disbursements of the Proposal Trustee for the period of April 11, 2025 to August 31, 2025 total \$148,339.19, including fees in the amount of \$124,095.75, disbursements in the amount of \$7,177.86, and HST in the amount of \$17,065.58, as more particularly described in the affidavit of Peter Naumis sworn September 23, 2025, a copy of which is attached hereto as **Appendix ‘XIII’**.
48. The total interim fees and disbursements of Chaitons for the period of April 4, 2025 to August 15, 2025 total \$60,052.64, including fees in the amount of \$52,900, disbursements in the amount of \$263.60, and HST in the amount of \$6.889.04, as more particularly described in the affidavit of Hugh McHenry sworn September 23, 2025, a copy of which is attached hereto as **Appendix ‘XIV’**.
49. The Proposal Trustee respectfully submits that the fees and disbursements of the Proposal Trustee and Chaitons, as set out in the respective fee affidavits, are reasonable in the circumstances and have been validly incurred in accordance with Proposal Proceedings. Accordingly, the Proposal Trustee respectfully requests the approval of the fees and disbursements of the Proposal Trustee and that of its counsel, as set out in the Fifth Report.
50. Further, the Proposal Trustee and its legal counsel estimate they will incur additional fees and disbursements in the administration, including but not limited to:

- a) Drafted and finalizing this Fifth Report;
- b) Attendance at the September 29, 2025 motion;
- c) Continued weekly monitoring of the Company;
- d) Continued communication with stakeholders and creditors;
- e) Assist the Company with completing the Transaction; and
- f) Any other ancillary matters required, statutory or otherwise.

The additional fees are not expected to exceed \$40,000, exclusive of disbursements and applicable HST (the “**Fee Accrual**”).

#### **CONCLUSIONS AND RECOMMENDATIONS**

51. Based on the above, the Proposal Trustee respectfully recommends that the Court grant an order providing the relief described in sections 9(b) of the Fifth Report.

All of which is respectfully submitted this 23<sup>rd</sup> day of September 2025.

**BDO CANADA LIMITED**  
in its capacity as Proposal  
Trustee of Indeed Laboratories Inc.,  
and not in its corporate or personal  
capacity



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Name: Peter Naumis, CIRP, LIT  
Title: Vice President

# APPENDIX I

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE ) THURSDAY, THE 24<sup>TH</sup>  
 )  
JUSTICE J. DIETRICH ) DAY OF APRIL, 2025

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**ORDER**

**THIS MOTION**, made by Indeed Laboratories Inc. (the “**Company**”), for an order, *inter alia*, approving the DIP Term Sheet dated April 22, 2025 (the “**DIP Term Sheet**”) between the Company and 1000481370 Ontario Inc. (the “**DIP Lender**”), granting priority charges over the Company’s property and assets as security for the interim financing facility in the maximum principal amount of \$500,000 (the “**DIP Loan**”), was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the Notice of Motion and the Affidavit of Kevin Watkinson sworn April 23, 2025, and on hearing the submissions of counsel for the Company, no one else appearing for any other person on the service list although properly served as appears from the Affidavit of Service of Antoinette DePinto sworn April 23, 2025, filed:

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Company is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

## **INTERIM FINANCING**

2. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to obtain and borrow under a credit facility in the maximum amount of \$500,000 from the DIP Lender in order to finance the Company's working capital requirements and the costs of these proceedings, provided that the Company shall not draw more than \$75,000 on the DIP Loan until further Order of this Court.

3. **THIS COURT ORDERS** that such credit facility shall be on the terms and subject to the conditions set forth in the DIP Term Sheet, filed.

4. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, with the DIP Term Sheet, the "**Definitive Documents**"), as are contemplated by the DIP Term Sheet or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Company is hereby authorized and directed to pay and perform all of its indebtedness, interest, fees, liabilities and obligations to

the DIP Lender under and pursuant to the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.

5. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") on all present and future property and assets of the Company and proceeds thereof (the "**Property**"). The DIP Lender's Charge shall not secure an obligation that exists before this Order is made. The DIP Lender's Charge shall have the priority set out in paragraphs 7 and 8 hereof.

6. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon 4 business days notice to the Company and the Proposal Trustee, may exercise any and all of its rights and remedies against the Company or the Property under or pursuant to the Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Company and set off and/or consolidate any amounts owing by the DIP Lender to the Company against the obligations of the Company to the DIP Lender under the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Company and for the appointment of a trustee in bankruptcy of the Company; and
- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Company or the Property.

7. **THIS COURT ORDERS** that the DIP Lender's Charge shall rank in priority to all other security interests, trusts, deemed trusts, liens, charges and encumbrances, claims of secured creditors (collectively, "**Encumbrances**") in favour of any Person.

8. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the DIP Lender's Charge unless the Company also obtains the prior written consent of the Proposal Trustee, and the DIP Lender, or further Order of this Court.

9. **THIS COURT ORDERS** that the DIP Lender's Charge and the Definitive Documents shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender and shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Company, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the DIP Lender's Charge nor the execution, delivery, perfection, registration or performance of the Definitive Documents shall create or

be deemed to constitute a breach by the Company of any Agreement to which they are a party;

- (b) the Company shall not have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Company entering into the Definitive Documents, the creation of the DIP Lender's Charge, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Company pursuant to this Order or the Definitive Documents, and the granting of the DIP Lender's Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

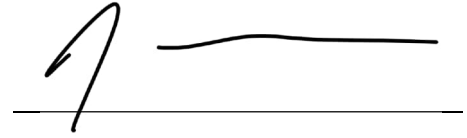
10. **THIS COURT ORDERS** that the DIP Lender' Charge created by this Order over leases of real property in Canada shall only be a charge in the Company's interest in such real property leases.

## **GENERAL**

11. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

12. **THIS COURT ORDERS** that the Company or BDO Canada Limited (in its capacity as Proposal Trustee) shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

13. **THIS COURT ORDERS** that this Order is effective from today's date and it is made and enforceable without any need for entry or filing.

A handwritten signature, possibly 'A', is written above a horizontal line. To the right of the signature, there is a wavy horizontal line that appears to be a flourish or a secondary signature element.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No.: BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
IN BANKRUPTCY AND INSOLVENCY**

**INITIAL ORDER**

**CHAITONS LLP**

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**Lawyers for Indeed Laboratories Inc.**



SUPERIOR COURT OF JUSTICE

**ENDORSEMENT**

COURT FILE NO.: BK-25-03213105-0032 DATE: April 24, 2025

NO. ON LIST: 6

TITLE OF PROCEEDING: **INDEED LABORATORIES INC v. BDO Canada Limited**

BEFORE: **JUSTICE J. DIETRICH**

---

**PARTICIPANT INFORMATION**

**For Plaintiff, Applicant, Moving Party:**

Name of Person Appearing	Name of Party	Contact Info
Laura Culleton Harvey Chaiton	Counsel for Indeed Laboratories Inc.	<a href="mailto:laurac@chaitons.com">laurac@chaitons.com</a> <a href="mailto:harvey@chaitons.com">harvey@chaitons.com</a>

**For Defendant, Respondent, Responding Party:**

Name of Person Appearing	Name of Party	Contact Info
Peter Naumis	BDO Canada Limited	<a href="mailto:pnaumis@bdo.ca">pnaumis@bdo.ca</a>

**Other:**

Name of Person Appearing	Name of Party	Contact Info

---

## **ENDORSEMENT OF JUSTICE J. DIETRICH:**

### **Introduction**

- [1] Indeed Laboratories Inc. (the “**Company**”) seeks an order:
- a. approving an interim financing loan in the amount of \$500,000 (the “**DIP Loan**”) from 1000481370 Ontario Inc. (in such capacity, the “**DIP Lender**”, otherwise referred to as “**370 Ontario**”) to finance the Company’s working capital requirements and the costs of these proceedings, as more fully described in the DIP Term Sheet between Indeed Labs and the DIP Lender dated April 22, 2025, and granting a charge in the maximum amount of \$500,000 plus interest and costs (the “**DIP Lender’s Charge**”) as security for the Company’s indebtedness under the DIP Loan;
  - b. granting an administration charge in the amount of \$250,000 to secure the fees and disbursements of the Proposal Trustee, the Proposal Trustee’s counsel and Indeed Labs’ counsel (the “**Administrative Charge**”); and
  - c. granting an extension of the time required to file its proposal, from May 17, 2025, the date the current stay expires, to July 1, 2025.

[2] The Company also seeks to schedule a further hearing to seek approval of an anticipated stalking-horse sales process.

[3] Terms not otherwise defined herein have the meaning provided to them in the factum of the Company filed on this motion.

[4] No party opposes the relief sought, however, the material was only served yesterday afternoon.

[5] For the reasons set out below, I am prepared to approve the DIP Loan and DIP Lender’s Charge requested today, provided that borrowings are limited to a maximum amount of \$75,000.

[6] A further hearing has been scheduled **for 45 minutes starting at 11:00 am on May 2, 2025** at which time the remainder of the relief sought today and approval of the anticipated stalking-horse sales process can be addressed.

### **Background**

[7] On April 17, 2024 (the “**Filing Date**”), the Company filed a Notice of Intention to File a Proposal under the *Bankruptcy and Insolvency Act*. BDO Canada Limited is the trustee in the NOI Proceeding (“**Proposal Trustee**”).

[8] The Company’s main office is located at 118 Avenue Road, Toronto, ON. It also has a warehouse located at 5181 Everest Drive, Mississauga, ON. Both the main office and warehouse are leased from affiliates to a shareholder of the Company and 370 Ontario.

[9] The Company is a developer and distributor of skincare products across Canada, the United States of America and the United Kingdom. The Company’s products are manufactured by third party contract

manufacturers. The Company has several trademarks and owns proprietary formulas. The Company's main customers are Shoppers Drug Mart ("**Shoppers**"), Loblaws, Ulta, Amazon US and Amazon UK.

[10] The company employs approximately 17 people.

[11] 370 Ontario (who is also the proposed DIP Lender) is the Company's primary secured creditor. The Company advises that 370 Ontario is owed approximately \$8.6 million by the Company as result of certain assignment agreements entered into by 370 Ontario and other former creditors.

[12] As well, the Company is indebted to Cosmetic Synergies Incorporated in the principal amount of \$1,000,000 plus interest pursuant to a convertible debenture effective as of June 15, 2018. Counsel advised that 370 Ontario and Cosmetic Synergies Incorporated are related.

[13] The Company also has certain trade debt (estimated to be approximately \$90,000). The Company has entered into supply agreements with its customers. Shoppers has discontinued a product line and under its supply agreement is entitled to charge back any losses it sustains in relation that discontinued product. The Company estimates that this amount will be approximately \$1.2 million. The Company is also indebted to former customers CVS and Target.

[14] The Company's revenues have decreased year over year for the past several years as a result of the increased costs to manufacture the Company's products which were passed on to consumers in the form of higher prices. Within the past two years, the Company has lost CVS and Target as customers. For the year ended December 31, 2024, the Company sustained a net loss of \$2,157,495. In 2023, the Company's net loss was \$2,283,301.

[15] The Company's losses have been funded by an affiliate of a shareholder that is no longer willing to provide funds outside of an insolvency process.

[16] As set out in the Cash Flow Forecast, the Company is not expected to have sufficient liquidity to continue operations and requires interim financing. If the Company is unable to obtain approval of the DIP Loan, the Company will be unable to meet its ordinary course obligations or pay the costs of these proceedings and will likely have to shut down its operations, liquidate its inventory and terminate its employees.

[17] The Company has obtained an interim debtor-in-possession financing commitment from the DIP Lender to fund the Company's operation and restructuring expenses during the restructuring pursuant to the DIP Term Sheet.

## **Issue**

[18] The only issue to be determined today is whether the DIP Loan and DIP Lender's Charge (up to maximum amount of \$75,000) should be approved.

## **Analysis**

[19] Pursuant to s. 50.6 of the BIA, the Court may make an order declaring that all or part of the Company's property is subject to a security or charge and order that the security or charge rank in priority over the claim of any secured creditor of the Company. Pursuant to s. 50.6 of the BIA, in deciding whether to make such an order, the Court is to consider the following:

- a. the period during which the debtor is expected to be subject to proceedings under this Act;
- b. how the debtor's business and financial affairs are to be managed during the proceedings;
- c. whether the debtor's management has the confidence of its major creditors;
- d. whether the loan would enhance the prospects of a viable proposal being made in respect of the debtor; and
- e. the nature and value of the debtor's property;

[20] The DIP Lender is the Company's largest secured creditor and is related to the Company's only other secured creditor. The key terms of the DIP Term Sheet include: a maximum loan amount of \$500,000; interest accruing at a rate of 8% per annum to be paid at the maturity date; no commitment fee; and advances under the DIP Loan are conditional upon Court approval of the DIP Term Sheet and the granting of the DIP Lender's Charge. The proposed DIP Lender's Charge will not secure any obligations incurred prior to the Filing Date.

[21] The Proposal Trustee is of the view that the Company's request for the approval of the DIP Loan and the DIP Lender's Charge are reasonable in the circumstances and are required to provide the Company with the necessary financing to complete its restructuring.

[22] Given that the motion material was only served yesterday, and that the Company will be returning to Court on May 2, 2025, the Proposal Trustee advised that only the amount of \$75,000 may be required prior to the next court attendance.

[23] In the circumstances, I am prepared to approve the DIP Loan and the DIP Term sheet on that basis.

**Disposition**

[24] Order to go in the form signed by me this day.

  
\_\_\_\_\_  
Justice J. Dietrich

April 24, 2025

# APPENDIX II

District of Ontario  
Division No. 09 - Mississauga  
Court File No. 32-3213105  
Estate No. 32-3213105

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.  
OF THE CITY OF MISSISSAUGA,  
IN THE REGIONAL MUNICIPALITY OF PEEL,  
IN THE PROVINCE OF ONTARIO.

FIRST REPORT OF THE PROPOSAL TRUSTEE  
April 23, 2025

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## LIST OF APPENDICES

- Appendix I - Certificate of Filing at Notice of Intention to File a Proposal
- Appendix II - 15 Week Cash Flow and Management's Report Thereon
- Appendix III - Proposal Trustee's Report on the Cash Flow
- Appendix IV - Term Sheet dated April 22, 2025

## INTRODUCTION

1. Indeed Laboratories Inc. (“**Indeed**” or the “**Company**”) is a privately held corporation incorporated pursuant to the *Canada Business Corporations Act* on December 19, 2008. Indeed operates as a developer and distributor of skincare products across Canada, the United States of America and the United Kingdom.
2. Indeed’s main office is located at 118 Avenue Road, Toronto, Ontario. The Company has warehouse space and offices located at 5181 Everest Drive, Mississauga, Ontario.
3. Michael B. Davidson (“**Michael**”) is the sole director of the Company.
4. On April 17, 2025, the Company filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *Bankruptcy & Insolvency Act* (the “**BIA**”). BDO Canada Limited (“**BDO**”) was named as the Licensed Insolvency Trustee (in such capacity, the “**Proposal Trustee**”) in these proceedings (the “**Proposal Proceedings**”). The Certificate of Filing of a Notice of Intention to Make a Proposal issued by the Office to the Superintendent of Bankruptcy is attached hereto as **Appendix ‘I’**.

## PURPOSE

5. This is the first report of the Proposal Trustee (the “**First Report**”) to be filed in the Proposal Proceedings. The purpose of this First Report is to:
  - a) Provide this Court with information regarding:
    - (i) the background on the circumstances leading to the Company’s decision to commence the Proposal Proceedings;
    - (ii) the Company’s creditors;
    - (iii) the Proposal Trustee’s activities since its appointment;
    - (iv) an overview of the Company’s 15-week cash flow forecast for the periods ending April 27, 2025 to August 3, 2025 (the “**Cash Flow Forecast**”) and the Proposal Trustee’s comments regarding the reasonableness thereof; and
  - b) Support the Company’s motion seeking the following relief:
    - I. An ancillary order (the “**Ancillary Order**”) which:
      - (i) approves a \$250,000 first ranking priority charge over all of the Company’s assets, undertakings, and property (the “**Administration Charge**”) in favour of the Proposal Trustee, the Proposal Trustee’s legal counsel, the Company’s legal counsel and BDO Canada Transaction Advisory (the “**Sales Agent**” and collectively, the “**Professional**”

**Group**) to secure payment of their professional fees and disbursements. The Administration Charge shall rank in priority to all other charges;

- (ii) authorizes the Company to enter into an interim financing term sheet with 1000481370 Ontario Inc. (in such capacity, the “**DIP Lender**”, otherwise referred to as “**370 Ontario**”) dated about April 22, 2025 (the “**Term Sheet**”), to obtain interim financing of up to \$500,000 to facilitate the continued operations of the Company during these proceedings and approves a \$500,000 second ranking priority charge over all of the Company’s assets, undertakings and property (the “**Interim Financing Charge**”) in favour of 370 Ontario to secure repayment of the financing. The Interim Financing Charge shall rank in priority to all other obligations other than the Administration Charge, statutory super priority deemed trusts and liens for unpaid source deductions and such other permitted priority encumbrances as may be agreed to in writing by 370 Ontario;
- (iii) approves an extension of the stay of proceedings of 45 days and the time by which to file a proposal from May 17, 2025 to July 1, 2025 (the “**Stay Extension**”); and
- (i) such further and other relief as the Court may deem just and equitable.

- 6. This First Report is to be read in conjunction with the affidavit of Kevin Watkinson sworn April 23, 2025 (the “**Watkinson Affidavit**”).
- 7. The Watkinson Affidavit, and all other materials filed with the Court in the Proposal Proceedings, are accessible on the Proposal Trustee’s website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/IndeedLabs> (the “**Proposal Trustee’s Website**”).

#### TERMS OF REFERENCE

- 8. In preparing this First Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Company, discussions with management of the Company (“**Management**”), and information from other third-party sources (collectively, the “**Information**”). Except as described in this First Report in respect of the Cash Flow Forecast:
  - (a) The Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposal Trustee 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 Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants Canada

Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and

- (b) Some of the information referred to in this First Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
9. Future-oriented financial information referred to in this First Report was prepared based on Management'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 variation could be significant.
  10. Unless otherwise indicated, the Proposal Trustee's understanding of factual matters expressed in this First Report concerning the Company and their business is based on the Information, and not independent factual determinations made by the Proposal Trustee.
  11. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

## **BACKGROUND**

12. Indeed operates as a developer and distributor of skincare products across Canada, the United States of America and the United Kingdom. The Company's main customers are Shoppers Drug Mart ("Shoppers"), Loblaws, Ulta, Amazon US and Amazon UK. The Company's products are manufactured by third-party contract manufacturers. Several trademarks and proprietary formulas are also owned by the Company.
13. Indeed currently employs approximately 17 (seventeen) people consisting mainly of administrative and sales staff. Payroll is paid to employees on a biweekly basis.

## **CIRCUMSTANCES LEADING TO THE PROPOSAL PROCEEDINGS**

14. Indeed operates in the competitive cosmetics industry. According to Management, revenues have decreased over the past several years because of, among other things, the increased costs of manufacturing Indeed's products which costs were passed onto consumers in the form of higher prices, which resulted in decreased demand for certain of Indeed's products.
15. Additionally, Indeed incurred significant capital expenditures building out infrastructure for anticipated sales that either did not materialize or were not sustained while marketing efforts to

compete with global competition were undercapitalized.

16. For the year ended December 31, 2024, the Company sustained a net loss of \$2,157,495. In 2023, the Company's net loss was \$2,283,301.
17. Most recently Shoppers, the Company's largest customer, advised it will be discontinue carrying a specific product line resulting in a chargeback estimated at \$1.2 million. The chargeback is a result of the poor sales performance of the product line together with provisions in the sales agreement with Shoppers which allows it to return unsold product for a full refund or "chargeback" against future invoices.
18. The Company has received chargeback claims from its U.S. customers, CVS Health Corporation ("CVS") and Target Corporation ("Target"), in the amounts of approximately USD \$400,000 and USD \$800,000 respectively. CVS and Target ceased to be customers of Indeed within the past 2 years.
19. Indeed's losses and cash flow deficit have been funded by an affiliate of a shareholder that is no longer willing to fund the Company outside of an insolvency process.
20. Accordingly, on April 17, 2025, Indeed commenced the Proposal Proceedings to, among other things, create stability for the Company and permit the Proposal Trustee to conduct a sale process for the marketing and sale of the Company's Property.

## **SECURED LENDERS AND TRADE CREDITORS**

### **1000481370 Ontario Inc.**

21. The Company is currently indebted to 370 Ontario in the approximate amount of \$8,600,000 (the "370 Debt"). 370 Ontario holds a general security agreement and a secured convertible debenture against all of the Company's assets which has been registered under the *Personal Property Security Act (Ontario)* (the "PPSA").
22. Further, the principal amount of \$1,000,000 plus accruing interest, included in the 370 Debt, is subject to a secured convertible debenture.
23. Michael is the sole director and shareholder of 370 Ontario.

### **Cosmetic Synergies Incorporated**

24. The Company is currently indebted to Cosmetic Synergies Incorporated ("CSI") in the principal amount of \$1,000,000 plus accruing interest, pursuant to a secured convertible debenture. CSI also holds a general security interest against all of the Company's assets which has been registered under the PPSA.

### **Other Creditors**

25. In addition to the claims of Shoppers, CVS and Target, as at the date of the NOI, the Company's books and records report that the unsecured trade debt and other creditors are owed approximately \$90,948.
26. The Company's source deduction arrears owing to Canada Revenue Agency is approximately \$8,044. HST is current.
27. Employee wages and vacation pay are current to the last payroll.

### **PROPOSAL TRUSTEE'S ACTIVITIES TO DATE**

28. The Proposal Trustee has established the Proposal Trustee's Website for the Proposal Proceedings. All court documents and other relevant documents will continue to be posted as they are made available.
29. In accordance with its obligations under BIA, the Proposal Trustee prepared and mailed a notice on April 23, 2025, which includes information about the Proposal Proceedings, to all known creditors who have a claim against the Company of more than \$250.
30. Further, the Proposal Trustee has, among other things:
  - (a) participated in various calls with Management and the Company's counsel;
  - (b) assisted the Company with stakeholder and customer communications;
  - (c) participated in various discussions with Management and certain stakeholders in connection with developing a sale and marketing process;
  - (d) reviewed and commented on the Cash Flow Projections;
  - (e) created a weekly monitoring protocol to review the Company's weekly cash receipts and disbursements; and
  - (f) prepared this First Report, including a preliminary review of the Company's assets, liabilities and operations.

### **CASH FLOW PROJECTION**

31. The Company's cash flow projection and related assumptions for the 15-week period ending August 3, 2025, together with Management's report on the Cash Flow Projection (as required under

subsection 50.4(2)(c) of the BIA) are attached as **Appendix ‘II’**.

32. Based on the Proposal Trustee’s review of the Cash Flow Projection, there are no material assumptions which seem unreasonable in the present circumstances. The Proposal Trustee’s report on the Cash Flow Projection (as required under subsection 50.4(2)(b) of the BIA) is attached as **Appendix ‘III’**.
33. The Cash Flow Projection shows that the Company will experience a net cash outflow of approximately \$497,275 during the 15-week period covered by the Cash Flow Projection. As a result, the Company is seeking approval of interim financing and a charge to support such financing to pay its post-filing obligations, including the cost of these proceedings.
34. The Proposal Trustee has arranged reporting and monitoring processes with Management which includes reviewing, on a weekly basis, the budget versus actual cash-flow analysis, financial reporting and receipts and disbursements.

#### **INTERIM FINANCING CHARGE**

35. The Company is seeking approval of the Term Sheet pursuant to which the DIP Lender has agreed to make available to the Company a debtor-in-possession loan in the maximum principal amount of \$500,000 (the “**Facility**”). The Facility is intended to provide sufficient liquidity to the Company to pay its post-filing obligations, including the cost of these proceedings.
36. In addition to the approval of the Term Sheet, the Ancillary Order also provides for the creation of the Interim Financing Charge to a maximum of the permitted borrowings pursuant to the Term Sheet.
37. A copy of the Term Sheet is attached as **Appendix “IV”** to this First Report. The material items, terms and conditions of the Term Sheet are:
  - (a) **Principal Amount:** up to a maximum amount of \$500,000;
  - (b) **Interest Rate:** interest on the principal amount of the Facility outstanding from time to time shall be calculated at a rate of eight percent (8%) per annum, which interest shall be calculated on the daily outstanding balance owing under the Facility, not in advance, and shall accrue and be paid on the Maturity Date (defined below);
  - (c) **Interim Financing Charge and Court Approval:** the Facility is to be secured by a Court-ordered priority charge over all of the Company’s present and after-acquired property, assets and undertakings, subject only to the Administration Charge; and

(d) **Repayment:** the Facility is to be repaid on the Maturity Date, which is defined as the earliest of:

- (i) a demand;
  - (ii) the day on which the stay of proceedings under the Proposal Proceedings has been terminated; and
  - (iii) the date on which the Company becomes bankrupt
- (the “**Maturity Date**”).

- 38. The Company is entitled to repay all or any part of the Facility at any time and from time to time without notice or penalty.
- 39. The Proposal Trustee notes that there is no fee for the Facility.
- 40. The Proposal Trustee believes the terms offered by the DIP Lender are reasonable and competitive in the circumstances.
- 41. The Proposal Trustee is of the view that the Company’s request for approval of the Term Sheet and the Interim Financing Charge is appropriate, fair and reasonable in order to provide the Company with the necessary financing to maintain ongoing operations. Absent approval of this financing, the Company will be forced to cease operations and commence liquidation of its assets, resulting in lost jobs and lost value for the Company’s creditors and stakeholders.

#### **EXTENSION OF STAY OF PROCEEDINGS**

- 42. Given the date on which the NOI was filed, the Company is currently required to make a proposal by May 17, 2025.
- 43. The Company is seeking an extension of the stay of proceedings from May 17, 2025 to July 1, 2025.
- 44. In the Proposal Trustee’s view, based on the Cash Flow Forecast and provided that the Term Sheet is approved, the Company will have sufficient liquidity to satisfy its obligations as they come due during the proposed extension period.
- 45. The Proposal Trustee supports the Company’s request for the following reasons:
  - a) The extension of the stay would permit the Proposal Trustee and the Sales Agent, in consultation with the Company, to finalize a proposed sale process for the Company’s Property and, if approved by the Court, conduct the proposed sale process;
  - b) The Company has acted, and continues to act, in good faith and with due diligence;

- c) No creditor would be materially prejudiced if the extension being applied for is granted.

#### **ADMINISTRATION CHARGE**

46. The Company is seeking the Court's approval of a charge up to a maximum amount of \$250,000 (the "Administration Charge") in favour of the Professional Group as security for the professional fees and disbursements incurred during the Proposal Proceedings.
47. As set out in the Watkinson Affidavit, the Company believes the Administration Charge is essential to a successful restructuring.
48. The Proposal Trustee has considered the Company's request and supports the request on the basis that:
- (i) these charges are typical in restructuring proceedings pursuant to the BIA and the *Companies' Creditors Arrangement Act*, as the charges facilitate an orderly restructuring process;
  - (ii) the Administration Charge is required to protect the Professional Group who have been retained in these proceedings for their fees and disbursements, given the Company's current financial challenges and insolvency; and
  - (iii) the Professional Group requires the protection afforded by the Administration Charge in order to continue in their respective roles throughout the Proposal Proceedings.
49. The Proposal Trustee is of the view that the Administration Charge is reasonable and appropriate in these circumstances.

#### **CONCLUSIONS AND RECOMMENDATIONS**

50. Based on the above, the Proposal Trustee respectfully recommends that the Court grant an order providing the relief described in section 5(b) of this First Report.

All of which is respectfully submitted this 23<sup>rd</sup> day of April, 2025.

**BDO CANADA LIMITED**  
in its capacity as Proposal  
Trustee of Indeed Laboratories Inc.,  
and not in its corporate or personal  
capacity



---

Name: Peter Naumis, CIRP, LIT  
Title: Vice President

# APPENDIX III

## STALKING HORSE ASSET PURCHASE AGREEMENT

This Agreement made this 29<sup>th</sup> day of April, 2025

### **BETWEEN:**

**INDEED LABORATORIES INC.,**

a corporation existing under the laws of Canada pursuant to the *Canada Business Corporations Act*

(the “**Company**“)

- and -

**1000481370 ONTARIO INC.,**

a corporation existing under the laws of Ontario pursuant to the *Business Corporations Act* (Ontario)

(the “**Purchaser**“)

### **RECITALS:**

- A. The Company filed a Notice of Intention to Make a Proposal (the “**NOI**”) under the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3 (the “**BIA**”) on April 17, 2025, with BDO Canada Limited consenting to act as the proposal trustee (the “**Trustee**”) for the proceedings commenced by the NOI (the “**Proposal Proceedings**”).
- B. The Company has determined it is in the best interest of the creditors and stakeholders of the Company to conduct a sale process pursuant to which potential offerors may submit offers to purchase the assets of the Company.
- C. The Company will bring a motion for the Sale Procedures Order to authorize the Company to enter into this Agreement and conduct a sales process with respect to the Purchased Assets.
- D. Subject to the designation of the Transaction as the successful bid pursuant to the Sale Procedures, the granting of the Approval and Vesting Order and the other conditions set forth herein, the Company has agreed to sell, convey, transfer and deliver to the Purchaser, and the Purchaser has agreed to purchase, acquire, assume and accept from the Company the Purchased Assets and the Assumed Obligations, on the terms and subject to the conditions of this Agreement.

**NOW THEREFORE**, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and confirmed, the Parties hereby agree as follows:

## ARTICLE 1 – INTERPRETATION

### 1.1.1 Definitions

In this Agreement and the Recitals herein, the following terms shall have the meanings set out below:

“**Affiliate**” means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate;

“**Agreement**” means this stalking horse asset purchase agreement, including all schedules attached hereto and forming part hereof, and all written amendments and written restatements thereto from time to time;

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

“**Approval and Vesting Order**” means an order of the Court approving this Agreement and the transactions contemplated hereby and vesting, upon the delivery of the Trustee’s Certificate to the Purchaser, all right, title and interest of the Company to the Purchased Assets in the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, substantially in the form of the model order approved by the “Ontario Commercial List Users Committee”, and otherwise in form and substance acceptable to the Purchaser and the Company;

“**Article**” or “**Section**” or “**Schedule**” means the specified Article, Section of or Schedule to this Agreement and the expressions “**hereof**”, “**herein**”, “**hereto**”, “**hereunder**”, “**hereby**” and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;

“**Assumed Contracts**” has the meaning ascribed thereto in Section 2.9;

“**Assumed Obligations**” has the meaning ascribed thereto in Section 2.7;

“**Bid Deadline**” has the meaning ascribed thereto in the Sale Procedures Order;

“**Books and Records**” means all of the books and records relating to the Purchased Assets, including, without limitation, all personnel files/records relating to all Transferred Employees and sales books, records, books of account, sales and purchase records, lists of suppliers and customers, business reports, projections and all other documents, surveys, plans, files, records, assessments, correspondence, and other data and information, financial or otherwise, including all data, information and databases stored on computer-related or other electronic media, excluding any of the foregoing as applicable to any Excluded Asset;

“**Business**” means the business carried on by the Company as a developer, manufacturer and distributor of skincare products;

“**Business Day**” means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday recognized in the Province of Ontario;

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, prosecutions or other similar processes, and “**Claim**” means any one of them;

“**Closing**” means the completion of the purchase and sale of the Purchased Assets, in accordance with the provisions of this Agreement;

“**Closing Date**” has the meaning ascribed thereto in Section 3.1 hereof;

“**Closing Time**” has the meaning ascribed thereto in Section 3.1 hereof;

“**Contracts**” means the right, title and interest of the Company to and in all executory contracts, agreements, leases and arrangements Related to the Business to or by which the Company or any of the Purchased Assets or the Business is bound or affected;

“**Court**” means the Ontario Superior Court of Justice (Commercial List);

“**Cure Payments**” refers to any and all financial obligations required to be settled to ensure the seamless transfer of Assumed Contracts, including, but not limited to, payments necessary to rectify any defaults, secure consents, or satisfy any preconditions imposed by third parties for such transfers. The term encompasses obligations that ensure the continuation of contract benefits to the Purchaser, thereby requiring the allocation of funds adequate to cover these obligations fully;

“**Effective Time**” means 12:01 a.m. on the Closing Date;

“**Employee**” means an individual who was formerly employed or engaged by the Company as an employee or, as at the Effective Time, is employed or engaged by the Company as an employee in connection with the Business, and “**Employees**” means every Employee;

“**Encumbrances**” means any and all security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever, other than Permitted Encumbrances;

“**Equipment**” means all equipment and personal property owned by the Company wherever located, including all fixed and tangible assets, machinery, chattels, tooling, furniture, computer hardware and other tangible assets;

“**Excluded Assets**” means the following:

- (a) all minute books, share ledgers, corporate seals and stock certificates of the Company;

- (b) original Tax records and books and records pertaining thereto, taxpayer and other identification numbers and other documents relating to the organization, maintenance, and existence of the Company, in each case, that do not relate to the Business or the Purchased Assets; and
- (c) any other assets that the Purchaser elects to exclude in writing prior to Closing pursuant to Section 2.5.

“**Excluded Liabilities**” has the meaning ascribed thereto in Section 2.8;

“**Expense Reimbursement Fee**” has the meaning ascribed thereto in Section 4.1(b);

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and “**Governmental Authority**” means any one of them;

“**HST**” means all of the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);

“**Intellectual Property**” means any or all of the following items, wherever located, domestic or foreign: all patents and patent rights, trademarks and trademark rights, trade names and trade name rights, service marks and service mark rights, service names and service name rights, copyrights and copyright rights, brand names, trade dress, business and product names, domain names, corporate names, logos, slogans, trade secrets, inventions, processes, formulae, industrial models, designs, specifications, data, technology, methodologies, computer programs (including all source code), confidential and proprietary information, whether or not subject to statutory registration, all related technical information, manufacturing, engineering and technical drawings, know how, all pending applications for and registrations of patents, trademarks, service marks and copyrights, including all obligations of third parties relating to the protection of the foregoing, the goodwill associated with the foregoing, and the right to sue for past payment, if any, in connection with any of the foregoing, and all documents, disks and other media on which any of the foregoing is stored;

“**Inventory and Supplies**” means all items that are held by the Company for sale, license, rental, lease or other distribution (and includes all supplies used by the Company in the operation of the Business) on hand at Closing, including, without limitation, all such items stored in warehouses and/or by third parties with the consent of the Company;

“**Landlord Consents**” means the written consent from the landlords of the Leased Premises to the assignment of the Leases to the Purchaser;

“**Leases**” means the leases for the Leased Premises, being (i) the lease dated as of January 1, 2025 between 118 Avenue Road Inc. and the Company in respect of the premises located at 118 Avenue

Road, Toronto, ON, and (ii) the lease dated as of January 1, 2025 between JLHD Investments Inc. and the Company in respect of the premises located at 5181 Everest Drive, Mississauga, ON;

“**Leased Premises**” means the premises located at 118 Avenue Road, Toronto, ON and 5181 Everest Drive, Mississauga, ON, as set forth in the Leases;

“**Liability**” means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation), and, “**Liabilities**” means the plural thereof;

“**Licences and Permits**” means all licences, permits, filings, certificates, authorizations, approvals or indicia of authority Related to the Business, the Purchased Assets or necessary for the operation or use of the Purchased Assets;

“**Ordinary Course**” means, with respect to an action taken or omitted to be taken by a Person, that such action is reasonably practicable and generally consistent with the recent past practices of the Person having specific regard to the recent circumstances leading up to and including the transactions contemplated by this Agreement and, as applicable, subject to the Proposal Proceedings;

“**Parties**” means the Company, the Trustee and the Purchaser collectively, and “**Party**” means any one of them;

“**Permitted Encumbrances**” means those Encumbrances listed in **Schedule “A”** attached hereto;

“**Person**” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

“**Prepaid Amounts**” means all prepayments, prepaid charges, deposits, security deposits, sums and fees Related to the Business or in respect of the Purchased Assets;

“**Purchase Price**” has the meaning ascribed thereto in Section 2.2;

“**Purchased Assets**” means all of the Company’s right, title and interest in all of its assets, properties and undertakings, including, but not limited to, the following assets:

- (a) all cash on hand, bank balances, bank deposits, guaranteed investment certificates, securities and other similar cash or cash equivalent items owned or held by, or for the account of, the Company;
- (b) Assumed Contracts;

- (c) Books and Records;
- (d) Claims;
- (e) Equipment;
- (f) Intellectual Property, including, but not limited to, trademarks, copyrights, trade secrets, patents;
- (g) Any digital assets, including, but not limited to, domain names, websites, web applications, cloud accounts, telephone and facsimile numbers, email addresses, social media accounts and the content therein, along with any associated credentials or access keys;
- (h) Inventory and Supplies;
- (i) Licenses and Permits;
- (j) Prepaid Amounts;
- (k) Receivables;
- (l) Leasehold improvements (subject to the terms of the respective Lease);
- (m) The right to receive insurance recoveries or refunds thereunder under any insurance policies in existence on the date hereof in respect only of any claims with respect to Purchased Assets;
- (n) All refundable Taxes and refunds in respect of Taxes (or assessments or reassessments for Taxes);
- (o) All rights and interests under or pursuant to all warranties, representations and guarantees, express implied or otherwise, of or made by suppliers or others in connection with the Purchased Assets or otherwise Related to the Business;
- (p) All goodwill associated with the Business, including the right of the Purchaser to hold itself out as operating the Business as the successor to the Company; and
- (q) All other property, assets and undertakings of the Company used in or Related to the Business of whatsoever nature or kind,

other than the Excluded Assets;

“**Qualified Bid**” has the meaning ascribed thereto in the Sale Procedures;

“**Receivables**” means the right, title and interest of the Company to all accounts receivable, bills receivable, trade accounts, book debts, insurance claims, and choses-in-action, now or hereafter due or owing to the Company, Related to the Business or the Purchased Assets, together with any unpaid interest accrued on such items and any guarantees, security or collateral for such items, including recoverable deposits, attributable to the period prior to Closing, and, without limiting the generality of the foregoing, includes all Tax refunds and government subsidies;

“**Related to the Business**” means, directly or indirectly, used in, arising from, or relating in any manner to the Business;

“**Rights**” has the meaning ascribed thereto in Section 2.10;

“**Sale Procedures**” means the sale process approved by the Sale Procedures Order and on terms substantially similar to those attached as **Schedule “B”** attached hereto;

“**Sale Procedures Order**” means an order of the Court approving the execution of this Agreement as a “stalking horse” asset purchase agreement, the transactions contemplated herein, and the Sale Procedures, in form and content acceptable to the Purchaser and the Company;

“**Stalking Horse Bid**” has the meaning ascribed thereto in Section 4.1(a);

“**Taxes**” means all taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions (or equivalent in the jurisdiction where the Purchased Assets may be located), employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

“**Transaction**” means the transaction of purchase and sale and assignment and assumption contemplated by this Agreement;

“**Transferred Employees**” means Employees who have accepted an offer of employment from the Purchaser as of the Closing;

“**Trustee’s Certificate**” means a certificate from the Trustee confirming the Closing of the Transaction, substantially in the form attached to the Approval and Vesting Order; and

“**Winning Bidder**” has the meaning ascribed thereto in Section 4.1(c).

### **1.1.2 Section References**

Unless the context otherwise, references in this Agreement to Sections are to Sections of this Agreement.

### **1.1.3 Schedules**

The following Schedules shall form an integral part of this Agreement:

**Schedule “A” Permitted Encumbrances**

## Schedule “B” Sale Procedures

### ARTICLE 2 – PURCHASE AND SALE

#### 2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement and the Approval and Vesting Order, the Company shall sell, and the Purchaser shall purchase, the Purchased Assets, and the Purchaser shall assume the Assumed Obligations.

#### 2.2 Purchase Price

The purchase price payable by the Purchaser to the Company for the Purchased Assets shall be the sum of (i) four million nine hundred thousand dollars (\$4,900,000) (the “**Credit Bid Amount**”), and (ii) all amounts ranking in priority to the Purchaser’s security on the Purchased Assets (the “**Priority Payables**” and, collectively with the Credit Bid Amount, the “**Purchase Price**”).

#### 2.3 Satisfaction of Purchase Price

The Purchase Price shall be paid, accounted for and satisfied as follows:

- (a) the Credit Bid Amount shall be satisfied by way of reduction of the indebtedness of the Company to the Purchaser on a dollar-for-dollar basis; and
- (b) the balance on Closing in an amount equal to the Priority Payables shall be satisfied by wire transfer of immediately available funds on Closing.

#### 2.4 Allocation of Purchase Price

The Purchase Price shall be allocated among the Purchased Assets in the manner agreed to by the Purchaser and the Company (each acting reasonably) prior to the Closing Date.

#### 2.5 Excluded Assets

Save and except as otherwise expressly set out herein, the Purchaser may, at its option, exclude any of the Purchased Assets from the transaction contemplated hereby prior to Closing upon delivery of prior written notice to the Company, whereupon such assets shall be deemed to form part of the Excluded Assets, provided, however, that there shall be no reduction in the Purchase Price as a result of such exclusion.

#### 2.6 Taxes and Elections

- (a) The Purchaser shall be responsible for the payment on Closing of all Taxes that are required to be paid or remitted in connection with the consummation of the Transaction.
- (b) If applicable, at the Closing, the Trustee and the Purchaser shall jointly execute an election under Section 167 of the *Excise Tax Act* (Canada) to seek to cause the sale of the Purchased Assets to take place on an HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST

return for the applicable reporting period in which the sale of the Purchased Assets takes place.

- (c) If applicable, at the Closing, the Company and the Purchaser shall execute jointly an election in prescribed form under Section 22 of the *Income Tax Act* (Canada) in respect of the Receivables and shall file such election with their respective tax returns for their respective taxation years that include the Closing Date.
- (d) The Purchaser agrees to indemnify and save the Company harmless from and against all claims and demands for payment of all Taxes payable by Purchaser in connection with the purchase of the Purchased Assets, including penalties and interest thereon and any liability or costs incurred as a result of any failure to pay such Taxes when due.

## **2.7 Assumed Obligations**

At the Closing, the Purchaser shall assume and be liable for the following (collectively, the “**Assumed Obligations**”):

- (a) any Liabilities in connection with the Assumed Contracts as set out in Section 2.9;
- (b) all Liabilities and Claims arising or accruing from the use of the Purchased Assets from and after the Closing;
- (c) all liabilities set out in section 7.3(3); and
- (d) all Permitted Encumbrances.

## **2.8 Excluded Liabilities**

Except for the Assumed Obligations, the Purchaser is not assuming, and shall not be deemed to have assumed, any Liabilities of the Company not specifically assumed hereunder (collectively, the “**Excluded Liabilities**”), which Excluded Liabilities include, but are not limited to, the following:

- (a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets prior to the Closing;
- (b) all Encumbrances, other than Permitted Encumbrances.

## **2.9 Assumed Contracts**

Save and except as hereinafter set out, the Purchaser shall give notice to the Company in writing, at least five (5) days prior to the scheduled date of the motion for the Approval and Vesting Order, of those Contracts that it elects to assume on Closing (which Contracts shall be referred to as the “**Assumed Contracts**” and of which any one of them is an “**Assumed Contract**”). This Agreement and any document delivered under this Agreement will not constitute an assignment

or an attempted assignment of any Contract contemplated to be assigned to the Purchaser under this Agreement which is not assignable without the consent of a third person if such consent has not been obtained and such assignment or attempted assignment would constitute a breach of such Contract, in which event, the provisions of Section 2.10 hereof shall govern. The Company, in cooperation with the Purchaser, shall take such steps as necessary to obtain the consent of the counterparties for the assignment of the Assumed Contracts. The Company agrees to help facilitate the transition of Assumed Contracts to the Purchaser by addressing all preconditions for such transfer, other than the settlement of Cure Payments which shall be the responsibility of the Purchaser, and which Cure Payments shall be in addition to the Purchase Price.

## **2.10 Assignment of Purchased Assets**

Notwithstanding anything in this Agreement to the contrary, this Agreement shall not constitute an assignment or transfer of any of the Purchased Assets or any right thereunder if an attempted assignment or transfer, without the consent of a third person, would constitute a breach or in any way adversely affect the rights of the Purchaser hereunder. To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the “**Rights**” and each a “**Right**”) is not capable of being transferred without the approval, consent or waiver of any third person, or if the transfer of a Right would constitute a breach of any obligation under, or a violation of, any Applicable Law unless the approval, consent or waiver of such third person is obtained, then, except as otherwise expressly provided in this Agreement, and without limiting the rights and remedies of the Purchaser contained elsewhere in this Agreement, this Agreement shall not constitute an assignment or transfer of such Rights unless and until such approval, consent or waiver has been obtained or an order of the Court compelling assignment is obtained. After the Closing and until all such Rights are transferred to the Purchaser, the Company shall:

- (a) hold the Rights as bare trustee for the Purchaser;
- (b) cooperate with the Purchaser in any reasonable and lawful arrangements designed to provide the benefits of such Rights to the Purchaser; and
- (c) enforce, at the reasonable request of the Purchaser, any rights of the Company arising from such Rights against any third person, including the right to elect to terminate any such Rights in accordance with the terms of such rights upon the written direction of the Purchaser.

In order that the full value of the Rights may be realized for the benefit of the Purchaser, the Company shall, at the request and under the direction of the Purchaser, in the name of the Company or otherwise as the Purchaser may specify, take all such action and do or cause to be done all such things as are, in the opinion of the Purchaser, acting reasonably, necessary or proper in order that the obligations of the Company under such Rights may be performed in such manner that the value of such Rights is preserved and enures to the benefit of the Purchaser, and that any moneys due and payable and to become due and payable to the Purchaser in and under the Rights are received by the Purchaser. The Company shall hold as bare trustee and promptly pay to the Purchaser all moneys collected by or paid to the Company in respect of every such Right. In the event that any consent, approval or waiver cannot be obtained for any Assumed Contract,

the Company, if requested by the Purchaser in its sole discretion, shall as soon as reasonably practicable bring a motion before the Court seeking the issuance of an order by the Court authorizing and approving the assignment of an Assumed Contract to the Purchaser with respect to each such Assumed Contract, which order shall be in form and substance acceptable to the Trustee and the Purchaser.

The Purchaser shall have the right to direct that title to any of the Purchased Assets be taken in the name of another Person (presently in existence or to be incorporated) that is an Affiliate of the Purchaser.

### **ARTICLE 3 – CLOSING ARRANGEMENTS**

#### **3.1 Closing**

Closing shall take place at 9:00 a.m. (the “**Closing Time**”) on the eleventh (11<sup>th</sup>) day following the granting of the Approval and Vesting Order or such other date as the Parties may agree to in writing, and if such date falls on a holiday or weekend, it shall be the next Business Day (the “**Closing Date**”). The Closing shall take place by electronic transmission of documents, or at such other time and location, and in such other manner, as the Parties may agree upon in writing.

#### **3.2 Tender**

Except as otherwise set out herein, any tender of documents or money under this Agreement may be made upon the Parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company, or by wire transfer of immediately available funds to the account specified by that Party.

#### **3.3 Company's Closing Deliveries**

At the Closing, the Company shall deliver to the Purchaser the following, each in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) a copy of the Approval and Vesting Order, issued by the Court;
- (b) the Trustee Certificate, executed by the Trustee;
- (c) if applicable, the elections referred to in Section 2.6;
- (d) a general conveyance with respect to the Purchased Assets;
- (e) the Landlord Consents;
- (f) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Company contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date; and

- (g) such further and other documentation as is referred to in this Agreement or as the Purchaser or its lawyers may reasonably require to complete the Transaction .

### **3.4 Purchaser's Closing Deliveries**

At the Closing, the Purchaser shall deliver to the Company the following, each in form and substance satisfactory to the Company, acting reasonably:

- (a) the Purchase Price;
- (b) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (c) a general conveyance with respect to the Purchased Assets;
- (d) if applicable, the elections referred to in Section 2.6; and
- (e) such further and other documentation as is referred to in this Agreement or as the Company or its lawyers may reasonably require to complete the Transaction .

### **3.5 Conduct Prior to Closing**

Prior to the Closing, the Company shall conduct the Business in the Ordinary Course, except to the extent required to allow the Company to comply with its obligations under this Agreement or as may be permitted with the written consent of the Purchaser (such consent not to be unreasonably conditioned, withheld, or delayed), subject in all cases to any Court orders granted in connection with the Proposal Proceedings. Without limiting the generality of, but subject to, the foregoing, the Company shall:

- (a) maintain, preserve and protect the Purchased Assets in the condition in which they exist on the date hereof, other than ordinary wear and tear and other than replacements, dispositions, modifications or maintenance in the Ordinary Course;
- (b) preserve the goodwill of the Company and maintain satisfactory relationships with suppliers and customers;
- (c) not terminate any Employees without the prior consent of the Purchaser, such consent not to be unreasonably withheld;
- (d) not convey, encumber or otherwise dispose of any of the Purchased Assets except in the Ordinary Course;
- (e) not amend or modify any Assumed Contract in any material respect, waive any material rights in respect of any Assumed Contract or disclaim any Assumed Contract;

- (f) not enter into any material contract or agreement in respect of the Business without the prior consent of the Purchaser;
- (g) continue and keep in full force and effect all insurance coverage currently held by the Company; and
- (h) comply in all material respects with all Applicable Law relating to the conduct of the Business and the ownership and use of the Purchased Assets.

### **3.8 Delivery of the Trustee 's Certificate**

When the conditions set out in Article 5 below have been satisfied or waived, the Trustee will deliver an executed copy of the Trustee's Certificate to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred. The Trustee will thereafter promptly file a copy of the Trustee's Certificate with the Court.

## **ARTICLE 4 – SALE PROCEDURE**

### **4.1 Sale Procedures**

- (a) The Company shall bring a motion on or before May 2, 2025 for approval of the Sale Procedures. The Sale Procedures Order shall recognize the Purchase Price as a baseline or “stalking horse bid” (the “**Stalking Horse Bid**”) and shall also provide for a marketing process of the Purchased Assets by the Company with the potential for competitive bidding. The Purchaser acknowledges and agrees that the aforementioned process is in contemplation of determining whether a superior bid can be obtained for the Purchased Assets.
- (b) In consideration of the Purchaser's expenditure of time and money and agreement to act as the initial bidder through the Stalking Horse Bid, and the preparation of this Agreement, subject to Court approval, the Purchaser shall be entitled to an expense reimbursement fee in the amount of \$50,000.00 (inclusive of HST, if any) (the “**Expense Reimbursement Fee**”) payable by the Company to the Purchaser only in the event that a successful bid other than the Stalking Horse Bid is accepted by the Company, approved by the Court and completed. The payment of the foregoing fee shall be approved in the Sale Procedures Order and shall be payable to the Purchaser out of the sale proceeds derived from and upon completion of the winning bid. The Parties acknowledge and agree that the foregoing fee represent a fair and reasonable estimate of the expenses that will be incurred by the Purchaser as a result of preparing for and entering into this Agreement and is not intended to be punitive in nature nor to discourage competitive bidding for the Purchased Assets. For certainty, the Expense Reimbursement Fee does not form part of the Purchase Price.
- (c) In the event that one or more Persons submits a Qualified Bid, the Company shall conduct an auction for the determination and selection of a winning bid (the Person submitting such bid being the “**Winning Bidder**”). Upon the selection of the Winning Bidder, there shall be a binding agreement of purchase and sale between the Winning

Bidder and the Company. The Company shall forthwith bring a motion following the selection of the Winning Bidder for an order approving the agreement reached with the Winning Bidder and to vest the Purchased Assets in the Winning Bidder and, if granted, shall proceed with closing the transaction forthwith.

- (d) Notwithstanding anything contained herein to the contrary, in the event that the Purchaser is not the Winning Bidder, then upon the closing of a transaction with such Winning Bidder, this Agreement shall thereupon be terminated and the Purchaser shall be entitled to the Expense Reimbursement Fee and none of the Parties shall have any further liability or obligation to the other Parties hereunder, except as expressly provided for in this Agreement.
- (e) If no Qualified Bids other than the Stalking Horse Bid are received by the Bid Deadline, the Company shall forthwith bring a motion to the Court to obtain the Approval and Vesting Order and, if granted, shall proceed with completing the Transaction forthwith.

## **4.2 Approval and Vesting Order**

The Approval and Vesting Order shall approve this Agreement and the transactions contemplated hereby and vest, upon the delivery of the Trustee's Certificate to the Purchaser, all right, title and interest of the Company in and to the Purchased Assets to the Purchaser, or as it may direct, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than Permitted Encumbrances.

## **ARTICLE 5 – CONDITIONS PRECEDENT**

### **5.1 Conditions Precedent of the Purchaser**

The Purchaser shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing, by the Purchaser at any time; and the Company agrees with the Purchaser to take all such commercially reasonable actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Company in Section 6.1 shall be true and correct at the Closing Time;
- (b) *Sale Procedures Order.* The Sale Procedures Order shall have been issued by the Court, shall not be stayed, varied, superseded or under appeal, and the applicable time for appealing the Sale Procedures Order shall have expired;

- (c) *Winning Bidder.* The Company shall have determined in accordance with the Sale Procedures that this Agreement is a successful bid and the Purchaser is the Winning Bidder;
- (d) *Approval and Vesting Order Final.* The Approval and Vesting Order shall have been issued by the Court, shall not be stayed, varied, superseded or under appeal, and the applicable time for appealing the Approval and Vesting Order shall have expired if the hearing for the Approval and Vesting Order is contested;
- (e) *Landlord Consents.* The landlords for the Leased Premises shall have provided their written consent to the assignment of the Leases to the Purchaser (the “**Landlord Consents**”);
- (f) *Company’s Compliance.* The Company shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time and shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Section 3.3; and
- (g) *No Legal Action:* No action or proceeding will be pending or threatened by any Person (other than the Purchaser), and there is no order or notice from any Person to (or seeking to) enjoin, restrict or prohibit, on a temporary or permanent basis any of the transactions contemplated by this Agreement or imposing any terms or conditions on the transactions contemplated by this Agreement, the Business or the business of the Purchaser or otherwise limiting the right of the Purchaser to conduct the Business after Closing on substantially the basis as heretofore operated.

## 5.2 Conditions Precedent of the Company

The Company shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Company and may be waived, in whole or in part, in writing by the Company at any time; and the Purchaser agrees with the Company to take all such commercially reasonable actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 6.2 shall be true and correct at the Closing Time;
- (b) *Sale Procedures Order.* The Sale Procedures Order shall have been issued by the Court, shall not be stayed, varied, superseded or under appeal, and the applicable time for appealing the Sale Procedures Order shall have expired;
- (c) *Approval and Vesting Order Final.* The Approval and Vesting Order shall have been issued by the Court, shall not be stayed, varied, superseded or under appeal, and the applicable time for appealing the Approval and Vesting Order shall have expired if the hearing for the Approval and Vesting Order was contested; and

- (d) *Purchaser's Compliance.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be to be performed by or complied with at or before the Closing Time and shall have executed and delivered to the Company at the Closing Time all the deliveries contemplated in Section 3.4.

### **5.3 Non-Satisfaction of Conditions**

If any condition precedent set out in Section 5.1 (other than sections 5.1(b) or 5.1(d)) or Section 5.2 (other than section 5.2(b) or 5.2(c)) is not satisfied or performed prior to the Closing Date, the Party for whose benefit the condition precedent is inserted may:

- (a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Parties (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect on written notice to the other Parties to terminate this Agreement, in which event each Party shall be released from all liabilities or obligations under this Agreement.

## **ARTICLE 6 – REPRESENTATIONS AND WARRANTIES**

### **6.1 Representations and Warranties of the Company**

As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Company set out in this Section 6.1, the Company hereby represents and warrants to the Purchaser as follows:

- (a) *Incorporation and Qualification.* The Company is a corporation duly amalgamated and existing under the laws of its jurisdiction of incorporation and has the corporate power to enter into and perform its obligations under this Agreement;
- (b) *Due Authorization.* Subject to the granting of the Approval and Vesting Order, the Company has all necessary authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (c) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order, if applicable, this Agreement constitutes a valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought;
- (d) *HST.* The Company is a registrant under Part IX of the *Excise Tax Act* (Canada), and its Business Number is 827200627RC0002; and

- (e) *Residency.* The Company is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

## **6.2 Representations and Warranties of the Purchaser**

As a material inducement to the Company entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Company is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 6.2, the Purchaser hereby represents and warrants to the Company as follows:

- (a) *Incorporation of the Purchaser.* The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;
- (b) *Due Authorization.* The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (c) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of the Purchaser, enforceable against the Purchaser, in accordance with its terms, subject, however, to limitations with respect to enforcement imposed by law in connection with bankruptcy or similar proceedings and to the extent that equitable remedies such as specific performance and injunction are in the discretion of the court from which they are sought;
- (d) *Approvals and Consents.* Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;
- (e) *HST.* The Purchaser is or will on Closing be a registrant under Part IX of the *Excise Tax Act* (Canada); and
- (f) *Residency.* The Purchaser is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

## **6.3 Acquisition of Purchased Assets on “As Is, Where Is” Basis**

- (a) The representations and warranties given by the Company in Article 6 are the sole and exclusive representations and warranties of the Company in connection with this Agreement and the transactions contemplated by it. Except for the representations and warranties given by the Company in Article 6, the Purchaser has not relied upon any statements, representations, promises, warranties, conditions or guarantees whatsoever, whether express or implied (by operation of law or otherwise), oral or written, legal, equitable, conventional, collateral or

otherwise, regarding the assets to be acquired or liabilities to be assumed or the completeness of any information provided in connection therewith.

- (b) The Purchaser acknowledges that the Company is selling the Purchased Assets on an “as is, where is” basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Company does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Company to sell or assign same, save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to the *Sale of Goods Act* (Ontario) or similar legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information (including analyses, financial information and projections and studies) obtained by the Purchaser from the Company or any of its directors, officers, employees, professional consultants or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete.

#### **6.4 Indemnification**

The Purchaser shall indemnify and save harmless the Company and its directors, officers, employees, shareholders, agents and representatives from and against any and all Liabilities incurred by or asserted against them arising out of or in connection with the Purchased Assets after the Closing Date.

### **ARTICLE 7 – EMPLOYEES**

#### **7.1 Offers to Employees**

The Purchaser may offer new employment, conditional upon Closing and effective as of the Effective Time, to such of the Employees as determined by the Purchaser in its sole discretion, on such terms as the Purchaser and each of the Transferred Employees may agree.

#### **7.2 Transferred Employees**

The Purchaser shall provide to the Company a list at least five (5) Business Days before Closing, indicating:

- (a) those Employees to whom offers of employment or expressions of interest have been made;

- (b) those Employees who have accepted any such offer; and
- (c) those Employees who the Purchaser has determined will not be offered employment with the Purchaser.

### **Section 7.3 Employee Liabilities**

(1) The Company shall be liable for all salary, wages, bonuses, commissions, vacation pay, and other compensation relating to employment of all Employees for the period prior to the Closing Date.

(2) The Company shall be liable for statutory notice of termination or payment in lieu of notice obligations and statutory severance obligations in respect of any Employees who do not accept the Purchaser's offer of employment.

(3) Without limiting the Purchaser's obligations in respect of the Transferred Employees, the Purchaser shall be responsible for:

- (a) All liabilities for salary, wages, bonuses, commissions, vacation pay, and other compensation relating to employment of the Transferred Employees in accordance with the offer made to such Transferred Employees by the Purchaser for the period on or after the Closing Date; and
- (b) All statutory notice of termination or payment in lieu of notice obligations and statutory severance obligations in respect of the termination by the Purchaser, on or after the Closing Date, of the employment of any Transferred Employee.

## **ARTICLE 8 – TERMINATION**

### **8.1 Termination by the Parties**

This Agreement may be terminated:

- (a) upon the mutual written agreement of the Company and the Purchaser;
- (b) pursuant to Section 5.3(b) by either the Company or the Purchaser; or
- (c) pursuant to Section 4.1(d).

### **8.3 Breach by Purchaser**

If the Purchaser fails to comply with any of its obligations under this Agreement, the Company may by notice to the Purchaser elect to treat this Agreement as having been repudiated by the Purchaser. In that event, all further obligations of the Purchaser under or pursuant to this Agreement shall terminate, and the Purchased Assets may thereafter be sold by the Company to any other Person.

## **ARTICLE 9 – POST-CLOSING MATTERS**

### **9.1 Post-Closing Receipts**

If, following the Closing Date, any of the Purchased Assets are paid to or otherwise received by the Company, or if any of the Excluded Assets are paid to or otherwise received by the Purchaser, then the Company or the Purchaser, as the case may be, shall hold such assets in trust for the other and shall promptly deliver such assets to the Company or the Purchaser, as the case may be.

### **9.2 Books and Records**

The Purchaser shall preserve and keep the Books and Records which relate to the Purchased Assets for a period of six (6) years from the Closing Date or for any longer period as may be required by any Applicable Law or Governmental Authority. Upon reasonable advance notice, after the Closing Date, the Purchaser will grant the Company or any trustee in bankruptcy of the Company reasonable access during normal business hours, to use such Books and Records included in the Purchased Assets, including, without limitation, any personnel files/records of the Transferred Employees relating to the period up to the Closing Date and any Employees up to and including the Closing Date, and computer systems, tapes, disks, records and software acquired as part of the Purchased Assets.

### **9.3 Use of Business Name**

If requested by the Purchaser, on or promptly following the Closing Date, and except as may be required for purposes of the Proposal Proceedings, the Company shall discontinue use of the name “Indeed Labs” and any variation thereof and shall, subject to the Court’s approval, as soon as is reasonably practicable, file articles of amendment to change the corporate name of the Company to another name not confusingly similar to its present name.

## **ARTICLE 10 – GENERAL CONTRACT PROVISIONS**

### **10.1 Headings and Sections**

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

### **10.2 Number and Gender**

Unless the context requires otherwise, words importing the singular include the plural and vice versa, and words importing gender include all genders. Where the word “**including**” or “**includes**” is used in this Agreement, it means “including (or includes), without limitation”.

### **10.3 Currency**

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian dollars.

### **10.4 Statutory References**

All references in this Agreement to any statute or regulation is to that statute or regulation as now enacted or as may from time to time be amended, re-enacted or replaced and includes all regulations made thereunder, unless something in the subject matter or context is inconsistent therewith or unless expressly provided otherwise in this Agreement.

### **10.5 No Strict Construction**

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including the doctrine of *contra proferentum*.

### **10.6 Entire Agreement**

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, relating thereto. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral among or between the Parties in connection with the subject matter of this Agreement, except as specifically set forth in this Agreement. Subject to the Approval and Vesting Order being issued by the Court, this Agreement is intended to create binding obligations on the part of the Company and the Purchaser, as set out herein.

### **10.7 Expenses**

Subject to Section 4.1(b), each Party shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with the transactions contemplated in this Agreement, and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement.

### **10.8 Notices**

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email as follows:

- (a) in the case of notice to the Company, at:

Indeed Laboratories Inc.  
5000 Yonge St., 10<sup>th</sup> Floor  
Toronto, ON M2N 7E9  
Attention: Kevin Watkinson  
Email: [kevinw@indeedlabs.com](mailto:kevinw@indeedlabs.com)

With a copy to (which shall not constitute notice):

Chaitons LLP  
5000 Yonge St., 10<sup>th</sup> Floor  
Toronto, ON M2N 7E9  
Attention: Harvey Chaiton  
Email: [harvey@chaitons.com](mailto:harvey@chaitons.com)

And a copy to the Trustee, at:  
BDO Canada Limited  
360 Oakville Place Drive, Suite 500  
Oakville, Ontario L6H 6K8

Attention: Josie Parisi and Peter Naumis  
Email: [jparisi@bdo.ca](mailto:jparisi@bdo.ca) and [pnaumis@bdo.ca](mailto:pnaumis@bdo.ca)

(b) in the case of a notice to the Purchaser, at:

1000481370 Ontario Inc.  
5181 Everest Drive  
Mississauga, ON L4W 2R2  
Attention: Avi Greenspoon  
Email: [avi@instorecorp.com](mailto:avi@instorecorp.com)

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a Business Day, then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Parties in accordance with the provisions of this Section.

## **10.9 Successors and Assigns**

This Agreement shall ensure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

## **10.10 Third Party Beneficiaries**

Unless where provided to the contrary by the specific terms hereof, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

## **10.11 Time of the Essence**

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

## **10.12 Amendment**

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

## **10.13 Further Assurances**

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date, provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

## **10.14 Paramountcy**

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with the Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

## **10.15 Severability**

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

#### **10.16 Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

#### **10.17 Non-Merger**

The representations, warranties and covenants of each Party contained in this Agreement will not merge on and will survive the closing of the Transaction and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Parties.

#### **10.18 Independent Legal Advice**

The Purchaser warrants that it has received independent legal advice in connection with this Agreement.

#### **10.19 Execution and Delivery**

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed and delivered either in original form or by electronic delivery in portable document format (PDF).

#### **10.20 Damages**

Under no circumstance shall any of the Parties or their representatives be liable for any special, punitive, exemplary, consequential, or indirect damages (including loss of profits) that may be alleged to result, in connection with, arising out of, or relating to this Agreement or the transactions contemplated herein.

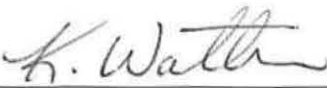
#### **10.21 No Brokers**

It is understood and agreed that the Purchaser shall not be liable for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Company. It is further understood and agreed that the Company shall not be liable for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Purchaser.

*[signature page follows]*

**IN WITNESS OF WHICH** the Parties have executed this Agreement as of the date first above written.

**INDEED LABORATORIES INC.**

Per:   
Name: Kevin Watkinson  
Title: Chief Restructuring Officer

I have the authority to bind the corporation

**1000481370 ONTARIO INC.**

Per:   
Name: Avi Greenspoon  
Title: Secretary

I have the authority to bind the corporation

**SCHEDULE "A" – PERMITTED ENCUMBRANCES**

**None**

**SCHEDULE "B" – SALE PROCEDURES**

## SALE PROCESS

### INTRODUCTION

On April 17, 2025, Indeed Laboratories Inc. (“Indeed” or the “Company”) filed a Notice of Intention to Make a Proposal (“NOI”) pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* (the “BIA”, and the proceedings, the “NOI Proceedings”). BDO Canada Limited, a licensed insolvency trustee, was appointed as proposal trustee (the “Trustee”) under the NOI Proceedings.

On May 2, 2025, the Ontario Superior Court of Justice (the “Court”) granted an order (the “Sale Process Order”) which approved, among other things:

- the sale process (the “Sale Process”) for the marketing and sale of the Company’s business and assets (collectively, the “Property”);
- the engagement of BDO Canada Transaction Advisory as sales agent (the “Sales Agent”) to assist the Trustee with carrying out the Sale Process;
- the Company increasing its ability to borrow up to the maximum amount of \$500,000 pursuant to a Term Sheet dated April 22, 2025 (the “Term Sheet”); and
- the Company entering into a purchase and sale agreement (the “Stalking Horse Agreement”) between the Company and 1000481370 Ontario Inc. (in such capacity, the “Stalking Horse Bidder”) pursuant to which the Stalking Horse Bidder will purchase the Property; and (ii) act as a stalking horse bidder in the Court-supervised Sale Process within the NOI Proceedings.

The Sale Process herein sets out the manner in which: (a) binding offers for executable transactions involving all or substantially all, or any portion, of the Property will be solicited from interested parties; (b) any such offers received will be evaluated; (c) any Successful Bid (as defined below) will be selected; and (d) Court approval of any Successful Bid will be sought.

The Sale Process will be conducted by the Sales Agent and the Trustee in the manner set forth herein and in accordance with the Sale Process Order. In the event that there is a disagreement as to the interpretation or application of the Sale Process, the Court will have exclusive jurisdiction to hear and resolve such dispute.

The Trustee will post on the Trustee’s websites, any modification, amendment, variation or supplement to the Sale Process and inform the bidders impacted by such modification, amendment, variation or supplement.

### THE OPPORTUNITY

The Sale Process is intended to solicit interest in, and opportunities for a sale of all or substantially all or part of the Property (the “Transaction”).

The Sale Process Order, the procedures in respect of the Sale Process as contained herein (the “Sale Process Procedures”) and any subsequent orders issued by the Court pertaining to the Sale Process Procedures shall exclusively govern the process for soliciting and selecting bids for the Transaction.

The purpose of the Sale Process Procedures is to determine whether a better Transaction than the transaction contemplated by the Stalking Horse Agreement may be obtained by the Trustee in a formal marketing process approved by the Court.

## “ AS IS, WHERE IS”

The sale of any Property or assets under the Stalking Horse Agreement or any Transaction to any party other than the Stalking Horse Bidder will be on an “as is, where is” basis and without surviving representations or warranties, covenants or indemnities of any kind, nature, or description by the Company, the Sales Agent, the Trustee, or any of their respective agents, advisors or representatives, and all of the right, title and interest of Indeed in and to the Property to be acquired, will be sold free and clear of all pledges, liens, security interests, encumbrances, claims, charges, options, and interests therein and thereon pursuant to a Court order, except as otherwise provided in such Court order.

## TIMELINE

The following table sets out the key milestones under the Sale Process:

Milestone	Deadline
Commencement of Sale Process	Within 5 business days after receipt of Sale Process Order
Distribution of the Notice and Teaser Letter	May 13, 2025
Bid Deadline	June 13, 2025
Auction	No later than June 20, 2025
Sale Approval Hearing	No later than July 31, 2025
Outside Closing Date Deadline	August 31, 2025

The dates set out in the Sale Process may be extended by the Trustee in its sole discretion.

## SOLICITATION OF INTEREST

As soon as reasonably practicable:

1. the Sales Agent, in consultation with the Trustee and the Company, will prepare a list of potential bidders, including (i) parties that have approached the Trustee, the Sales Agent or the Company indicating an interest in the opportunity, and (ii) strategic and financial parties who the Trustee believes may be interested in purchasing all or part of the Property (collectively, “Known Potential Bidders”);
2. the Trustee will arrange for a notice of the Sale Process (and such other relevant information which the Trustee considers appropriate) (the “Notice”) to be published in The Globe and Mail (National Edition) and any other newspaper or journal as the Trustee considers appropriate, if any; and [NTD: how many times and by what date?]
3. the Sales Agent, with the approval of the Trustee, will prepare: (i) a process summary (the “Teaser Letter”) describing the opportunity, outlining the Sale Process Procedures and inviting recipients of the Teaser Letter to express their interest pursuant to the Sale Process; and (ii) a non-disclosure agreement in form and substance satisfactory to the Trustee (the “NDA”).

The Trustee will publish the Notice and the Sales Agent will send the Teaser Letter and the NDA to all Known Potential Bidders by no later than May 13, 2025 and to any other party who requests a copy of the Teaser Letter and the NDA or who is identified to the Trustee or the Sales Agent as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.

## INTERESTED PARTIES

### *Delivery of Confidential Information Package*

Any party who wishes to participate in the Sale Process must provide to the Sales Agent, unless the Trustee or the Sales Agent confirms to such potential bidder that the below documents are already available to the Trustee, the following:

1. the NDA executed by it and a letter setting forth the identity of the potential bidder, the contact information for such potential bidder and full disclosure of the direct and indirect principals of the potential bidder; and
2. such form of financial disclosure and credit quality support or enhancement that allows the Trustee to make a reasonable determination as to the potential bidder's financial and other capabilities to consummate a Transaction.

If the Trustee determines, exercising its reasonable business judgment, that a bidder has: (i) delivered the documents contemplated in the immediately preceding paragraph; and (ii) the financial capability based on the availability of financing, experience and other considerations, to be able to consummate a Transaction pursuant to the Sale Process, then such bidder shall be deemed to be a "Qualified Bidder". For greater certainty, no bidder shall be deemed to be a Qualified Bidder without the approval of the Trustee.

At any time during the Sale Process, the Trustee may, in its reasonable business judgment, eliminate a Qualified Bidder from the Sale Process, in which case such Qualified Bidder will be eliminated from the Sale Process and will no longer be a Qualified Bidder for the purposes of the Sale Process.

The Sales Agent, with the approval of the Trustee, will prepare and send to each Qualified Bidder a confidential information package providing additional information considered relevant to the potential Transaction (the "Confidential Information Package").

The Trustee and its advisors make no representation or warranty as to the completeness and accuracy of the information contained in the Confidential Information Package or otherwise made available pursuant to the Sale Process, except to the extent expressly contemplated in any definitive sale agreement with a Successful Bidder ultimately executed and delivered by the Trustee. None of the Sales Agent, the Trustee or the Company is responsible for, and will bear no liability with respect to, any information provided and obtained by any party in connection with the Company or the sale of the Property.

Qualified Bidders must rely solely on their own independent review, investigation and/or inspection of all information and of the Property in connection with their participation in the Sale Process and any Transaction they enter into with the Trustee.

### *Due Diligence*

The Sales Agent, with the approval of the Trustee, shall, in its reasonable business judgment and subject to competitive and other business considerations, afford each Qualified Bidder such access to due diligence materials and information relating to the Property as they reasonably request. Due diligence access may include Management presentations, access to electronic data rooms, on-site inspections, and other matters which a Qualified Bidder may reasonably request and as to which the Trustee in its reasonable business judgment may agree.

The Trustee will designate a representative to coordinate all reasonable requests for additional information and due diligence access from a Qualified Bidder and the manner in which such requests must be communicated. None of the Sales Agent, the Trustee or the Company will be obligated to furnish any information relating to the Property to any person other than to Qualified Bidder. Further, and for

the avoidance of doubt, selected due diligence materials may be withheld from certain Qualified Bidders if the Trustee determines such information to represent proprietary or sensitive competitive information.

#### SUPERIOR BIDS

A "Superior Bid" means a credible, reasonably certain and financially viable Qualified Bid (defined below), the terms of which are, in the determination of the Trustee and its Sales Agent acting reasonably, no less favourable and no more burdensome or conditional than the terms contained in the Stalking Horse Agreement, and which at a minimum includes a payment of the Purchase Price (as defined in the Stalking Horse Agreement plus a minimum additional amount of \$100,000 and the Expense Reimbursement.

#### QUALIFIED BIDS

Qualified Bidders that wish to make a formal offer to purchase the Property or a portion thereof shall submit a binding offer (a "Bid") on substantially the same terms and conditions as the terms and conditions contained in the Stalking Horse Agreement. In order to be considered a "Qualified Bid", a Bid must meet the following minimum criteria:

1. the Bid must be received by the Trustee at the address specified in Schedule "A" hereto (including by email or fax transmission), so as to be received by the Trustee no later than 5:00 p.m. (Eastern Time) on June 13, 2025 (the "Bid Deadline");
2. the Qualified Bidder and the representatives thereof who are authorized to act on the Bidder's behalf must be sufficiently identified;
3. the Bid must be submitted in writing and include a blackline of the Stalking Horse Agreement, reflecting the Qualified Bidder's proposed changes;
4. the Bid must be accompanied by a deposit by way of certified cheque or wire transfer, in an amount equal to at least 10% of the aggregate purchase price payable under the Bid;
5. the Bid must be open for acceptance by the Trustee until approval by the Court of the execution by the Qualified Bidder and the Trustee of an agreement of purchase and sale in respect of the purchased assets subject to the Bid;
6. the Bid must be on terms no less favourable and no more burdensome or conditional than the Stalking Horse Agreement;
7. the Bid must not contain any contingency relating to due diligence or financing or any other material conditions precedent to the Bidder's obligation to complete the Transaction that are not otherwise contained in the Stalking Horse Agreement;
8. the Bid must be accompanied by written evidence of a commitment for financing or other evidence of the Bidder's ability to consummate the Transaction contemplated by the Bid;
9. the Bid must be for a purchase price equal to or greater than the sum of the Purchase Price (as defined in the Stalking Horse Agreement) plus a minimum additional amount of \$100,000 and the Expense Reimbursement (as defined in the Stalking Horse Agreement); and
10. the Bid constitutes, in the reasonable business judgment of the Trustee, a Superior Bid; and
11. the Bid contemplates closing the Transaction set out therein on or before the Outside Closing Date.

The Transaction contemplated by the Stalking Horse Agreement shall be deemed to be a Qualified Bid.

The Trustee may waive strict compliance with any one or more of the non-material foregoing requirements and deem any such non-compliant bid to be a Qualified Bid.

#### SELECTION OF SUCCESSFUL BIDDERS

Following the Bid Deadline, the Trustee will assess the Bids received in consultation with the Company. The Trustee shall approve the disqualification of any Bids that are deemed not to be Qualified Bids. Only Qualified Bidders whose Bids have been designated as Qualified Bids are eligible to become the Successful Bidder(s).

The Trustee shall notify each Qualified Bidder in writing as to whether its Bid constituted a Qualified Bid within two (2) business days following the Bid Deadline, or at such later time as the Trustee deems appropriate, in consultation with the Company.

If no Qualified Bids (either individually or in the aggregate) other than the Stalking Horse Agreement have been received by the Bid Deadline, then the Trustee, with the consent of the Stalking Horse Bidder, may consider an extension of the Bid Deadline for up to seven (7) business days to allow any party that submitted a Bid to consult with the Trustee and to revise such Bid such that it would provide for, or that might reasonably be expected to provide for, a Superior Bid.

#### *Evaluation of Competing Bids*

A Qualified Bid will be evaluated upon many factors, including, without limitation, items such as:

1. the Purchase Price and the net value provided by such Qualified Bid,
2. the identity, circumstances and ability of the Qualified Bidder to successfully complete such Transaction,
3. the proposed Transaction documents,
4. factors affecting the speed, certainty and value of the Transaction,
5. the assets included or excluded from the Bid,
6. the likelihood and timing of consummating such Transaction, and
7. whether the Transaction results in a Superior Bid,

Each, as determined by the Trustee, in consultation with the Sales Agent and the Company.

#### *Selection of Successful Bid*

The Trustee shall, in consultation with the Sales Agent:

1. first, review and evaluate each Qualified Bid, provided that the Trustee may contact any Qualified Bidder to clarify the terms of any Bid, and the applicable Qualified Bidder may amend, modify or vary such Bid for the purpose of clarification;
2. second, identify if any Qualified Bid is a Superior Bid; and

3. third, if one or more Qualified Bids are considered to be Superior Bid, those Qualified Bidders presenting a Superior Bid shall proceed to an auction with the Stalking Horse Bidder to be held on or before June 20, 2025 (the "Auction"), which shall proceed according to the Auction Procedures set out in Schedule "B" to this Sale Process to identify the Successful Bid.

If no Superior Bid is received by the Bid Deadline, the Auction will not be held and the Stalking Horse Bidder will be declared to be the Successful Bidder. The determination of any Successful Bid by the Trustee shall be subject to approval by the Court.

#### *Sale Approval Motion Hearing*

At the hearing of the motion to approve any Transaction with a Successful Bidder (the "Sale Approval Hearing"), the Trustee shall seek, among other things, approval from the Court to consummate the Successful Bid. All the Qualified Bids other than the Successful Bid, if any, shall be deemed rejected by the Trustee on and as of the date of approval of the Successful Bid by the Court.

#### CONFIDENTIALITY AND ACCESS TO INFORMATION

All discussions regarding a Transaction, Bid or Successful Bid should be directed through the Sales Agent. Under no circumstances, should the Management or Indeed's customers be contacted directly without the prior written consent of the Sales Agent or the Trustee. Any such unauthorized contact or communication could result in exclusion of the interested party from the Sale Process at the discretion of the Trustee.

Participants and prospective participants in the Sale Process shall not be permitted to receive any information that is not made generally available to all participants relating to the number or identity of Known Potential Bidders, Qualified Bidders or Qualified Bids, the details of any Bids or Qualified Bids submitted or the details of any confidential discussions or correspondence between the Sales Agent, the Trustee and such other Known Potential Bidders or Qualified Bidders in connection with the Sale Process.

Notwithstanding the foregoing, under no circumstances will the Sales Agent or the Trustee share any material information concerning any of the Bids with any person other than the Company.

#### SUPERVISION OF THE SALE PROCESS

The Sales Agent shall conduct the Sale Process, with the oversight of the Trustee, in the manner set out in the Sale Process Procedures and is entitled to receive all information in relation to the Sale Process.

The Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship between the Sales Agent, the Trustee or the Company and any Qualified Bidder, Known Potential Bidder, or any other party, other than as specifically set forth in a definitive agreement that may be signed with the Trustee.

Without limiting the preceding paragraph, the Sales Agent and the Trustee shall not have any liability whatsoever to any person or party, including, without limitation, any Qualified Bidder, Known Potential Bidder, the Successful Bidder, the Company or any creditor or other stakeholder of the Company, for any act or omission related to the process contemplated by the Sale Process Procedures, except to the extent such act or omission is the result from gross negligence or wilful misconduct of the Sales Agent or the Trustee. By submitting a Bid, each Known Potential Bidder, Qualified Bidder or Successful Bidder shall be deemed to have agreed that it has no claim against the Sales Agent or the Trustee in respect of the Sale Process for any reason whatsoever, except to the extent that such claim is the result of gross negligence or wilful misconduct by the Sales Agent or the Trustee.

Participants in the Sale Process are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a Transaction.

Notwithstanding the process and deadlines outlined above with respect to the Sale Process, with the prior consent of the DIP Lender, the Sales Agent and the Trustee may at any time: (i) pause, terminate, amend or modify the Sale Process; (ii) remove any portion of the Property from the Sale Process; (iii) bring a motion to the Court to seek approval of a sale of all or part of the Property or the Company, whether or not such sale is in accordance with the terms or timelines set out in the Sale Process Procedures; and (iv) establish further or other procedures for the Sale Process, provided that Qualified Bidders and Known Potential Bidders shall be advised of any substantive modification to the procedures set forth herein.

Schedule "A"

Address of Trustee

BDO Canada Limited  
20 Wellington Street East, Suite 500  
Toronto, ON M5E 1C5

Attention: Josie Parisi or Peter Naumis  
Email: [jparisi@bdo.ca](mailto:jparisi@bdo.ca)  
[pnaumis@bdo.ca](mailto:pnaumis@bdo.ca)

## Schedule "B"

### AUCTION PROCEDURES

1. On or before June 17, 2025, the Trustee will confirm those Qualified Bidders who submitted a Qualified Bid that they will be invited to the Auction.
2. Unless otherwise ordered by the Court, only the authorized representatives, professional advisors or agents of the Stalking Horse Bidder and each Qualified Bidder shall be eligible to attend at the Auction and make any Subsequent Bid (as defined below) at the Auction.
3. The Auction, if any, shall be conducted by the Trustee, on or before June 20, 2025 at 10:00 a.m. (Eastern Time) via video conference.
4. At the Auction, all Qualified Bidders and the Stalking Horse Bidder shall be permitted to increase their Qualified Bids and the bid contemplated by the Stalking Horse Agreement in accordance with the procedures set forth herein (each, a "Subsequent Bid"). All Subsequent Bids presented during the Auction shall be made and received via video conference on an open basis. All participating Qualified Bidders and the Stalking Horse Bidder shall be entitled to be present for all bidding with the understanding that the true identity of each participating Qualified Bidder shall be fully disclosed to all other Qualified Bidders and the Stalking Horse Bidder and that all material terms of each Subsequent Bid presented during the Auction will be fully disclosed to the Stalking Horse Bidder and all other participating Qualified Bidders throughout the entire Auction.
5. All Qualified Bidders and the Stalking Horse Bidder at the Auction must have at least one individual representative with authority to bind such Qualified Bidder and the Stalking Horse Bidder present at the Auction.
6. The Auction shall be recorded by the Trustee for its exclusive use and shall not be recorded by any other party.
7. At least three (3) business days prior to the Auction, the Trustee will advise the Stalking Horse Bidder and all other Qualified Bidders which of the Qualified Bidders or the Stalking Horse Bidder the Trustee has determined, in its reasonable business judgment, after consultation with its advisors and the Company, constitutes the then highest or otherwise best offer Transaction (the "Starting Bid").
8. Bidding at the Auction will begin with the Starting Bid and continue, in one or more rounds of bidding, so long as during each round at least one Subsequent Bid is submitted by a Qualified Bidder or the Stalking Horse Bidder that (i) improves upon such Qualified Bidder's immediately prior Superior Bid or the bid contemplated by the Stalking Horse Agreement, as the case may be, and meets the overbid requirement set forth in paragraph 9 below, and (ii) the Trustee determines, in its reasonable business judgment, after consultation with its advisors, such Subsequent Bid is a higher or otherwise better offer than the then current leading Superior Bid.
9. Bidding at the Auction shall be in increments of \$100,000 and shall continue until such time as the highest and best bid is determined by the Trustee's reasonable business judgment after consultation with its advisors. For the purpose of evaluating the value of the consideration provided by each Bid (including any Subsequent Bid by the Stalking Horse Bidder) presented at the Auction, the value will: (i) be deemed to be the net consideration payable to the Trustee after considering, *inter alia*, any Expense Reimbursement due to the Stalking Horse Bidder under the Stalking Horse Agreement; and (ii) take into account any additional liabilities of the Company to be assumed by a Qualified Bidder.

10. After the first round of bidding and between each subsequent round of bidding, the Trustee shall announce the Subsequent Bid that the Trustee has determined, in its reasonable business judgment, after consultation with its advisors and the Company, to be the then highest or best bid (the "Leading Bid"). A round of bidding will conclude after each participating Qualified Bidder and the Stalking Horse Bidder has had an opportunity to submit a Subsequent Bid with full knowledge of the Leading Bid.
11. If no Qualified Bidder or the Stalking Horse Bidder submits a Subsequent Bid (as determined by the Trustee) after a period of 30 minutes following the Trustee's acceptance of a Subsequent Bid as the Leading Bid, and the Trustee chooses not to adjourn the Auction further, the Trustee shall enter into a binding agreement of purchase and sale substantially on the same terms as the Superior Bid or the Stalking Horse Agreement (as the case may be), as amended by the Leading Bid, with the Qualified Bidder or the Stalking Horse Bidder (the Successful Bidder) that submitted the highest and best Bid as determined by the Trustee, whereupon the Auction will be concluded.
12. At the Auction, the Trustee, after consultation with its advisors, may employ and announce additional procedural rules that are fair and reasonable under the circumstances (e.g., the amount of time allotted to make Subsequent Bids) for conducting the Auction; provided, however, that such rules are (a) not inconsistent with the Auction procedures set forth in this Schedule "B", the *Bankruptcy and Insolvency Act*, any order of the Court entered in connection with such Auction procedures, and (b) disclosed to each Qualified Bidder and the Stalking Horse Bidder at the Auction.

# APPENDIX IV

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE

)

FRIDAY, THE 2<sup>ND</sup>

JUSTICE STEELE

)

)

DAY OF MAY, 2025

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**SALE PROCESS ORDER**

**THIS MOTION**, made by Indeed Laboratories Inc. (“**Indeed Labs**” or the “**Company**”), for an order, *inter alia*: i) approving the marketing and sale process for the business and assets of the Company as set out in Appendix “III” to the Second Report of the Proposal Trustee dated April 30, 2025 (the “**Second Report**”); and ii) approving and authorizing the Company to enter into the Stalking Horse Asset Purchase Agreement dated April 29, 2025 (the “**Stalking Horse Agreement**”) between Indeed Labs and 1000481370 Ontario Inc. as purchaser (in such capacity, the “**Stalking Horse Bidder**”), solely for the purpose of acting as the stalking horse bid in the Sale Process, in the form attached as Appendix “V” to the Second Report, including approving the \$50,000 Expense Reimbursement Fee (as defined in the Stalking Horse Agreement) in favour of the Stalking Horse Bidder contemplated therein, was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the Notice of Motion and the Motion Record dated April 30, 2025, and on hearing the submissions of counsel for the Company, and other parties listed on the Participant

Information Form, no one else appearing for any other person on the service list although properly served as appears from the Affidavit of Service of Laura Culleton sworn May 1, 2025, filed:

## **SALE PROCESS**

1. **THIS COURT ORDERS** that the Sale Process in the form attached as Appendix “III” to the Second Report (the “**Sale Process**”) is hereby approved and the Proposal Trustee and its Sales Agent (as defined in the Sale Process) is hereby authorized and directed to perform its obligations under and in accordance with the Sale Process and to take such further steps as it considers necessary or desirable in carrying out the Sale Process.

2. **THIS COURT ORDERS** that the Proposal Trustee and its affiliates, partners, directors, officers, employees, legal advisors, representatives, agents and controlling personal shall have no liability with respect to any and all losses, claims, damages or liabilities of any nature or kind to any person in connection with or as a result of the Sale Process, except to the extent of losses, claims, damages or liabilities that arise or result from the gross negligence or wilful misconduct of the Proposal Trustee in performing its obligations under the Sale Process, as determined by this Court in a final order that is not subject to appeal or other review.

3. **THIS COURT ORDERS** that, in conducting the Sale Process, the Proposal Trustee shall have all of the benefits and protections granted to it under the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3, as amended and any other Order of this Court in the within proceeding.

## **STALKING HORSE AGREEMENT**

4. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to enter into the Stalking Horse Agreement between the Company and the Stalking Horse Bidder in the

form attached as Appendix “V” to the Second Report, with such minor amendments as may be acceptable to each of the parties thereto; provided nothing herein approves the sale of the Property to the Stalking Horse Bidder pursuant to the Stalking Horse Agreement and that the approval of any sale of the Property shall be considered by this Court on a subsequent motion made to this Court.

5. **THIS COURT ORDERS** that the Expense Reimbursement Fee (as defined in the Stalking Horse Agreement) is hereby approved and the Proposal Trustee is hereby authorized and directed to pay the Expense Reimbursement Fee to the Stalking Horse Bidder in the manner and circumstances described in the Stalking Horse Agreement.

#### **PIPEDA**

6. **THIS COURT ORDERS** that pursuant to clause 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 and any similar legislation in any other applicable jurisdictions, the Proposal Trustee, its Sales Agent and its advisors are hereby authorized and permitted to disclose and transfer to prospective Sale Process participants that are party to a nondisclosure agreement with the Proposal Trustee (each, a “**Sale Process Participant**”) and their respective advisors personal information of identifiable individuals, but only to the extent required to negotiate or attempt to complete a transaction pursuant to the Sale Process (a “**Transaction**”). Each Sale Process Participant to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation for the purpose of effecting a Transaction, and, if it does not complete a Transaction, shall return all such information to the Proposal Trustee, or, in the alternative, destroy all such information and provide confirmation of its destruction if requested by the Proposal Trustee. The

bidder with a Successful Bid (as defined in the Sale Process) shall maintain and protect the privacy of such information and, upon closing of the Transaction(s) contemplated in the Successful Bid(s), shall be entitled to use the personal information provided to it that is related to the Company's business and/or property acquired pursuant to the Sale Process in a manner that is in all material respects identical to the prior use of such information by the Company, and shall return all other personal information to the Proposal Trustee, or ensure that all other personal information is destroyed and provide confirmation of its destruction if requested by the Proposal Trustee.

## **GENERAL**

7. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

8. **THIS COURT ORDERS** that the Company or the Proposal Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

9. **THIS COURT ORDERS** that this Order is effective from today's date and it is made and enforceable without any need for entry or filing.

**Jana  
Steele** Digitally signed  
by Jana Steele  
Date: 2025.05.02  
14:30:53 -04'00'

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**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No.: BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
IN BANKRUPTCY AND INSOLVENCY**

**SALE PROCESS ORDER**

**CHAITONS LLP**

5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

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**Lawyers for Indeed Laboratories Inc.**

# APPENDIX V

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE	)	FRIDAY, THE 2 <sup>ND</sup>
	)	
JUSTICE STEELE	)	DAY OF MAY, 2025

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**ANCILLARY ORDER**

**THIS MOTION**, made by Indeed Laboratories Inc. (“**Indeed Labs**” or the “**Company**”), for an order, *inter alia*: i) if necessary, abridging the time for service and filing of the Notice of Motion and the Motion Record of Indeed Labs or, in the alternative, dispensing with service thereof; ii) approving the activities and conduct of BDO Canada Limited in its capacity as proposal trustee of Indeed Labs (the “**Proposal Trustee**”) as set out and described in the First Report of the Proposal Trustee dated April 23, 2025 (the “**First Report**”) and the Second Report of the Proposal Trustee dated April 30, 2025 (the “**Second Report**”); iii) authorizing an increase in the amount the Company is authorized to borrow up to the maximum amount of \$500,000 under the interim financing term sheet between Indeed Labs and 1000481370 Ontario Inc. (the “**DIP Lender**”) dated April 22, 2025 (the “**Term Sheet**”); iv) granting a \$250,000 first ranking priority charge over all of the Company’s assets, undertakings, and property (the “**Administration Charge**”) in favour of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company to secure payment of their professional fees and disbursements; and v) granting an extension of the time

required to file its proposal, from May 17, 2025, the date the current stay expires, to July 1, 2025 (the “**Stay Extension**”), was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the Notice of Motion and the Motion Record dated April 30, 2025, and on hearing the submissions of counsel for the Company, and other parties listed on the Participant Information Form, no one else appearing for any other person on the service list although properly served as appears from the Affidavit of Service of Laura Culleton sworn May 1, 2025, filed:

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Company is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

### **APPROVAL OF THE FIRST REPORT AND THE SECOND REPORT**

2. **THIS COURT ORDERS** that the First Report and the Second Report and the actions, conduct and activities of the Proposal Trustee set out therein are hereby approved; provided however, in each case, that only the Proposal Trustee, in its personal capacity and only with respect to its own liability shall be entitled to rely upon or utilize in any way such approvals.

### **INTERIM FINANCING**

3. **THIS COURT ORDERS** that the Company is hereby authorized and empowered to borrow up to the amount of \$500,000 under the Term Sheet.

## **ADMINISTRATION CHARGE**

4. **THIS COURT ORDERS** that the Proposal Trustee, counsel to the Proposal Trustee and counsel to the Company (collectively, the “**Administrative Professionals**”) shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Company as part of the costs of these proceedings. The Company is hereby authorized and directed to pay the accounts of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company on a bi-weekly basis, or as they may otherwise agree.

5. **THIS COURT ORDERS** that the Administrative Professionals shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on all of the Company’s present and future assets, undertakings and property of every nature and kind whatsoever and wherever situate, including all proceeds thereof (collectively, the “**Property**”), which charge shall not exceed the amount of \$250,000 (before HST) on the Property, unless permitted by further Order of this Court, as security for payment of the Administrative Professionals professional fees and disbursements incurred at their respective standard rates and charges, both before and after the making of this Order, in respect of this proceeding. The Administration Charge shall have the priority set out in paragraphs 6 and 7 hereof.

6. **THIS COURT ORDERS** that the Administration Charge shall rank in priority to all other security interests, trusts, deemed trusts, liens, charges and encumbrances, claims of secured creditors (the “**Encumbrances**”) in favour of any Person, including the charge granted by this Court in favour of the DIP Lender on all present and future property and assets of the Company and the proceeds thereof (the “**Property**”) to secure the credit facility provided by the DIP Lender in the maximum amount of \$500,000 pursuant to the Term Sheet (the “**DIP Lender’s Charge**”).

7. **THIS COURT ORDERS** that, except as otherwise expressly provided for herein or as may be approved by this Court, the Company shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Administration Charge or the DIP Lender's Charge unless the Company also obtains the prior written consent of the Proposal Trustee, and the DIP Lender or further Order of this Court.

#### **EXTENSION OF TIME TO FILE A PROPOSAL**

8. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended to July 1, 2025 (as that date may be extended by further order of the Court).

#### **GENERAL**

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

10. **THIS COURT ORDERS** that the Company or the Proposal Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

11. **THIS COURT ORDERS** that this Order is effective from today's date and it is made and enforceable without any need for entry or filing.

**Jana  
Steele** Digitally signed  
by Jana Steele  
Date: 2025.05.02  
14:32:41 -04'00'

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**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No.: BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
IN BANKRUPTCY AND INSOLVENCY**

**ANCILLARY ORDER**

**CHAITONS LLP**

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**Harvey Chaiton** (LSO #21592F)

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**Lawyers for Indeed Laboratories Inc.**

# APPENDIX VI

District of Ontario  
Division No. 09 - Mississauga  
Court File No. 32-3213105  
Estate No. 32-3213105

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.  
OF THE CITY OF MISSISSAUGA,  
IN THE REGIONAL MUNICIPALITY OF PEEL,  
IN THE PROVINCE OF ONTARIO.

SECOND REPORT OF THE PROPOSAL TRUSTEE  
April 30, 2025

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## LIST OF APPENDICES

- Appendix I - April 24, 2025 Court Order and Endorsement
- Appendix II - First Report of the Proposal Trustee without appendices
- Appendix III - Sale Process
- Appendix IV - The Watkinson Affidavit without exhibits
- Appendix V - Stalking Horse Agreement

## INTRODUCTION

1. Indeed Laboratories Inc. (“Indeed” or the “Company”) is a privately-held corporation incorporated pursuant to the *Canada Business Corporations Act* on December 19, 2008. Indeed operates as a developer and distributor of skincare products across Canada, the United States of America and the United Kingdom.
2. Indeed’s main office is located at 118 Avenue Road, Toronto, Ontario. The Company has warehouse space and offices located at 5181 Everest Drive, Mississauga, Ontario.
3. Michael B. Davidson (“Michael”) is the sole director of the Company.
4. On April 17, 2025, the Company filed a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy & Insolvency Act* (the “BIA”). BDO Canada Limited was named as the Licensed Insolvency Trustee (in such capacity, the “Proposal Trustee”) in these proceedings (the “Proposal Proceedings”).
5. The background and circumstances leading to the Company’s NOI filing is described in the First Report and the Affidavit of Kevin Watkinson sworn April 23, 2025.
6. On April 24, 2025, the Court granted an order (the “Apr 24 Order”), inter alia:
  - a) authorizing the Company to enter into an interim financing term sheet with 1000481370 Ontario Inc. (in such capacity, the “DIP Lender”, otherwise referred to as “370 Ontario”) dated April 22, 2025 (the “Term Sheet”), to obtain interim financing of up to \$500,000 to facilitate the continued operations of the Company during these proceedings and 370 Ontario was granted a \$500,000 second ranking priority charge over all of the Company’s assets, undertakings and property to secure repayment of the financing; and
  - b) authorizing interim advances under the Term Sheet of up to \$75,000 until further order of the Court.A copy of the Apr 24 Order and Endorsement are attached as Appendix ‘I’.
7. In support of the April 24, 2025 motion, the Proposal Trustee filed its First Report (the “First Report”) dated April 23, 2025. A copy of the First Report, without appendices, is attached as Appendix ‘II’.

## PURPOSE

8. The purpose of this second report of the Proposal Trustee (the “Second Report”) is to:
  - a) Provide this Court with information regarding:
    - (i) the Proposal Trustee’s activities since the First Report;
    - (ii) the Company’s creditors; and
  - b) Support the Company’s motion seeking the following relief:

- I. An order (the "Ancillary Order") which:
  - (i) approves the First Report, the Second Report and the conduct and activities of the Proposal Trustee;
  - (ii) approves a \$250,000 first ranking priority charge over all of the Company's assets, undertakings, and property (the "Administration Charge") in favour of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company to secure payment of their professional fees and disbursements. The Administration Charge shall rank in priority to all other charges;
  - (iii) authorizes an increase in the amount the Company is authorized to borrow up to the maximum of the \$500,000 under the Term Sheet;
  - (iv) approves an extension of the time required for the Company to file its proposal from May 17, 2025, the date the current stay expires to July 1, 2025 (the "Stay Extension"); and
  - (v) such further and other relief as the Court may deem just and equitable; and

- II. An order (the "Sale Process Order") which:
  - (i) approves and authorizes Indeed to enter into the stalking horse purchase agreement dated April 29, 2025 (the "Stalking Horse Bid") with 370 Ontario, or its nominee (in such capacity, the "Stalking Horse Bidder");
  - (ii) approves the payment and priority of the Expense Reimbursement as provided for in the Stalking Horse Bid;
  - (iii) approves the stalking horse sale process contemplated in Appendix 'III' attached hereto (the "Sale Process") and authorizes the Proposal Trustee and BDO Transaction Advisory (the "Sales Agent") to conduct the Sale Process for the Company's business and assets (the "Property"); and
  - (iv) such further and other relief as the Court may deem just and equitable.

9. The Second Report is to be read in conjunction with the affidavit of Kevin Watkinson sworn April 23, 2025 (the "Watkinson Affidavit"). The Watkinson Affidavit, without exhibits, is attached hereto as Appendix 'IV'.

10. All materials filed with the Court in the Proposal Proceedings, are accessible on the Proposal Trustee's website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/IndeedLabs> (the "Proposal Trustee's Website").

TERMS OF REFERENCE

11. In preparing the Second Report and making the comments herein, the Proposal Trustee has been provided with,

and has relied upon, unaudited financial information, books and records prepared by the Company, discussions with management of the Company (“Management”), and information from other third-party sources (collectively, the “Information”). Except as described in the First Report and the Second Report in respect of the Cash Flow Forecast:

- (a) The Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposal Trustee 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 Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) Some of the information referred to in the Second Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
12. Future-oriented financial information referred to in the Second Report was prepared based on Management’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 variation could be significant.
13. Unless otherwise indicated, the Proposal Trustee’s understanding of factual matters expressed in the Second Report concerning the Company and its business is based on the Information, and not independent factual determinations made by the Proposal Trustee.
14. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

Capitalized terms used herein and not defined in the Second Report shall have the meaning ascribed to them in the First Report or the Sale Process, as the case may be.

#### PROPOSAL TRUSTEE’S ACTIVITIES TO DATE

15. Since the First Report, the Proposal Trustee has, among other things:
- (a) created the Sale Process procedures and timelines;
  - (b) participated in various discussions with Management and certain stakeholders in connection with the marketing plan and timelines associated with the Sale Process;
  - (c) communicated with creditors;
  - (d) uploaded all court material and certain other relevant documents to the Proposal Trustee’s Website;

- (e) arranged for, and obtained, a legal opinion on the validity and enforceability of 370 Ontario's security;
- (f) negotiated and finalized the Stalking Horse Agreement, subject to Court approval;
- (g) monitored the Company's weekly cash flow; and
- (h) prepared the Second Report, including a preliminary review of the Company's assets and operations.

INDEED'S RECEIPTS AND DISBURSEMENTS TO DATE

16. The Company's actual net cash flow for the period week ended April 27, 2025 was \$103,229 compared to a forecasted net cash outflow of \$43,021 over that same period as outlined in the Cash Flow Forecast. This positive variance is summarized below:

	Week ending April 27, 2025		
	Projection	Actual	Variance
<u>Receipts</u>			
CAD AR	\$ 21,853	\$ 154,666	\$ 132,813
US AR	5,964	2,919	(3,045)
Total receipts	\$ 27,817	\$ 157,585	\$ 129,768
<u>Disbursements</u>			
Salaries	36,040	36,432	(392)
Source Deductions	17,798	17,698	100
HST			
VAT			
Rent			
Property tax & Utilities			
Marketing Costs	10,000		10,000
Warehouse Costs			
Shipping costs	5,000		5,000
Inventory Purchases			
Miscellaneous	2,000	225	1,775
Professional fees			
Total disbursements	\$ 70,838	\$ 54,355	\$ 16,483
NET CASH FLOW	(\$43,021)	\$ 103,229	\$ 146,250
Opening bank position	\$ 206,615	\$ 83,492	
Closing cash (deficit)			
Funding from DIP Facility	-	-	
Closing cash (deficit) after DIP funding	\$ 163,594	\$ 186,722	\$ 23,128

17. An explanation of the key variances are:

Receipts

- (i) The Company's collection of approximately \$123,000 of accounts receivables was allocated to the week

ended April 20, 2025. The accounts receivable was not recorded in the Company's bank account until April 21, 2025, creating the positive variance.

### Disbursements

- (i) The Company filed the NOI on Thursday, April 17, 2025. Accordingly, the Company did not incur marketing or shipping costs during the initial week ended April 27, 2025, to allow it time to communicate with customers in an effort to ensure satisfactory arrangements remain in place for the ongoing sales of Indeed's product line.

### CASH FLOW AND REQUIREMENT FOR DIP FINANCING

18. The Company's 15-week cash flow (the "Cash Flow") shows that the Company's expenditures exceed its receipts in each week during the cash flow period.
19. Based upon the Cash Flow as presented below, the Company has sufficient cash on hand until the week-ending May 4, 2025 and then will require funding in order to continue operations. Accordingly, for the Company to continue to operate and complete the Sales Process, it will be necessary to draw upon the facility contemplated by the Term Sheet of approximately \$500,000 during the Cash Flow period.

	04-May	11-May	18-May	25-May	01-Jun	08-Jun	15-Jun	22-Jun	29-Jun	06-Jul	13-Jul	20-Jul	27-Jul	03-Aug	Total
<u>Receipts</u>															
CAD AR	\$ 24,255	\$ 30,255	\$ 24,255	\$ 30,255	\$ 29,217	\$ 35,217	\$ 29,217	\$ 35,217	\$ 28,860	\$ 28,860	\$ 28,860	\$ 28,860	\$ 28,860	\$ 28,860	\$ 411,048
US AR	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	7,062	98,868
Total receipts	\$ 31,317	\$ 37,317	\$ 31,317	\$ 37,317	\$ 36,279	\$ 42,279	\$ 36,279	\$ 42,279	\$ 35,922	\$ 35,922	\$ 35,922	\$ 35,922	\$ 35,922	\$ 35,922	\$ 509,916
<u>Disbursements</u>															
Salaries		36,040		24,000		24,000		20,000		20,000		20,000		20,000	164,040
Source Deductions	8,004	17,798		11,000		11,000		10,000		10,000		10,000		10,000	87,802
HST					15,000					15,000					30,000
VAT														20,000	20,000
Rent	10,600	21,200				21,200					21,200				74,200
Property tax & Utilities		7,280				1,200					7,200				15,680
Marketing Costs	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	140,000
Warehouse Costs	5,000	7,500		5,000		7,500	5,000			5,000	7,500		5,000		47,500
Shipping costs	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	70,000
Inventory Purchases		62,000	45,000	22,500		25,000	35,000				22,500				212,000
Miscellaneous	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	28,000
Professional fees		20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	260,000
Total disbursements	\$ 40,604	\$ 188,818	\$ 82,000	\$ 99,500	\$ 52,000	\$ 126,900	\$ 77,000	\$ 67,000	\$ 37,000	\$ 87,000	\$ 95,400	\$ 67,000	\$ 42,000	\$ 87,000	\$ 1,149,222
NET CASH FLOW	(\$9,287)	(\$151,501)	(\$50,683)	(\$62,183)	(\$15,721)	(\$84,621)	(\$40,721)	(\$24,721)	(\$1,078)	(\$51,078)	(\$59,478)	(\$31,078)	(\$6,078)	(\$51,078)	(\$639,306)
Opening bank position	\$ 163,594	\$ 154,307	\$ 22,806	\$ 21,018	\$ 19,018	\$ 21,527	\$ 19,527	\$ 22,036	\$ 20,036	\$ 22,545	\$ 20,545	\$ 23,054	\$ 21,054	\$ 23,563	\$ 163,594
Closing cash (deficit)															
Funding from DIP Facility		20,000	48,895	60,183	18,230	82,621	43,230	22,721	3,587	49,078	61,987	29,078	8,587	49,078	497,275
Closing cash after DIP	\$ 154,307	\$ 22,806	\$ 21,018	\$ 19,018	\$ 21,527	\$ 19,527	\$ 22,036	\$ 20,036	\$ 22,545	\$ 20,545	\$ 23,054	\$ 21,054	\$ 23,563	\$ 21,563	\$ 21,563

## PROPOSED SALE PROCESS

20. The Proposal Trustee, in consultation with the Company, developed the Sale Process intended to solicit interest in and opportunities for a sale of all, substantially all, or a portion of the Property. Any terms not expressly defined in this section are otherwise defined in the Sale Process. A copy of the Sale Process is attached hereto as Appendix 'III'.
21. The Proposal Trustee and the Sales Agent are qualified to administer the Sale Process for the following reasons:
- (i) they have considerable experience conducting similar sales processes;
  - (ii) they have industry and institutional contacts who they will ensure will be made aware of this opportunity;
  - (iii) they are independent of the Company; and
  - (iv) they will ensure that the Sale Process is conducted in a thorough, transparent, and efficient manner for the benefit of the Company's stakeholders.

### Sale Process Summary & Proposed Timeline

22. The Sale Process shall commence within 5 business days following the issuance of the Sale Process Order. The table below sets out the key deadlines in the Sale Process (terms within the table are defined in subsequent paragraphs):

Milestone	Deadline
Commencement of Sale Process	Within 5 business days after receipt of Sale Process Order
Distribution of the Notice and Teaser Letter	May 13, 2025
Bid Deadline	June 13, 2025
Auction	No later than June 20, 2025
Sale Approval Hearing	No later than July 31, 2025
Outside Closing Date Deadline	August 31, 2025

23. The Sale Process serves to solicit and identify parties that wish to make a formal offer to purchase the Property or any portion thereof (the "Opportunity").
24. The Sales Agent, in conjunction with the Proposal Trustee, will develop a list of potential bidders (the "Known Potential Bidders"). This list will be comprised of those that have previously shown interest in transacting

with the Company, and other potential strategic and financial parties who the Company and the Sales Agent believe may be interested in the Opportunity.

25. The Sales Agent will also prepare a process summary describing the Opportunity (the "Teaser Letter") and a non-disclosure agreement (the "NDA").
26. The Sales Agent will send the Teaser Letter and the NDA to all Known Potential Bidders, and to any other party who requests a copy of the Teaser Letter and the NDA or who is identified to the Company or the Sales Agent as a potential bidder as soon as reasonably practicable after such request or identification, as applicable.
27. Any party who wishes to participate in the Sale Process ("Potential Bidder(s)") must provide to the Sales Agent an executed NDA and a letter setting forth the identity of the Potential Bidder, the contact information for such Potential Bidder and full disclosure of the direct and indirect principals of the Potential Bidder.
28. The Sales Agent, with the approval of the Proposal Trustee, shall in their reasonable business judgment and subject to competitive and other business considerations, afford each Potential Bidder who has signed and delivered the NDA to the Sales Agent and met the minimum requirements set out in the Sale Process to be a qualified bidder (a "Qualified Bidder"), such access to due diligence material and information relating to the Property as the Sales Agent and the Proposal Trustee deem appropriate.
29. Qualified Bidders that wish to make a formal offer to purchase the Property or a portion thereof shall submit a binding offer (a "Bid") on substantially the same terms and conditions (except as to price and payment terms) as the terms and conditions contained in the Stalking Horse Agreement. In order to be considered a "Qualified Bid", a Bid must meet the following minimum criteria:
  - a) the Bid must be received by the Trustee at the address specified in Schedule "A" of the Sale Process (including by email or fax transmission), so as to be received by the Trustee no later than 5:00 p.m. (Eastern Time) on June 13, 2025 (the "Bid Deadline");
  - b) the Qualified Bidder and the representatives thereof who are authorized to act on the Qualified Bidder's behalf must be sufficiently identified;
  - c) the Bid must be submitted in writing and include a blackline of the Stalking Horse Agreement, reflecting the Qualified Bidder's proposed changes;
  - d) the Bid must be accompanied by a deposit by way of certified cheque or wire transfer, in an amount equal to at least 10% of the aggregate purchase price payable under the Bid;
  - e) the Bid must be open for acceptance by the Trustee until the Court approves the execution by the Qualified Bidder of the agreement of purchase and sale in respect of the purchased assets subject to the Bid;

- f) the Bid must be on terms no less favourable and no more burdensome or conditional than the Stalking Horse Bid;
  - g) the Bid must not contain any contingency relating to due diligence or financing or any other material conditions precedent to the Qualified Bidder's obligation to complete the Transaction that are not otherwise contained in the Stalking Horse Bid;
  - h) the Bid must be accompanied by written evidence of a commitment for financing or other evidence of the Qualified Bidder's ability to consummate the Transaction contemplated by the Bid;
  - i) the Bid must be for a purchase price equal to or greater than the sum of the Purchase Price (as defined in the Stalking Horse Bid), plus a minimum additional amount of \$100,000 and the Expense Reimbursement (as defined in the Stalking Horse Bid);
  - j) the Bid constitutes, in the reasonable business judgment of the Trustee, a Superior Bid (as defined in the Sale Process); and
  - k) the Bid contemplates closing the Transaction set out therein on or before the Outside Closing Date.
30. A Bid will be evaluated based upon several factors including, without limitation: (i) the Purchase Price and the net value provided by such Qualified Bid, (ii) the identity, circumstances and ability of the Qualified Bidder to successfully complete such Transaction, (iii) the proposed Transaction documents, (iv) factors affecting the speed, certainty and value of the Transaction, (v) the assets included or excluded from the Bid, (vi) the likelihood and timing of consummating such transaction, and (vii) whether the Transaction results in a Superior Bid.
31. On or before June 17, 2025, the Trustee will confirm those Qualified Bidders who submitted a Qualified Bid that they will be invited to the Auction.
32. Qualified Bidders with Qualified Bids shall proceed to an auction with the Stalking Horse Bidder to be held on or before June 20, 2025 (the "Auction"), which shall proceed according to the Auction Procedures set out in Schedule "B" to the Sale Process to identify the Successful Bid, and the bidder making such Successful Bid will be the Successful Bidder, in each case, as contemplated hereunder.
33. If no Superior Bid is received by the Bid Deadline, the Auction will not be held, and the Stalking Horse Bidder will be declared to be the Successful Bidder. The determination of any Successful Bid by the Proposal Trustee shall be subject to approval by the Court.
34. A Court date will be scheduled to hear a motion to approve any Transaction with the Successful Bidder (the "Sale Approval Motion"). At the Sale Approval Motion, the Proposal Trustee or the Company shall seek, among other things, approval from the Court to consummate the Successful Bid. All Qualified Bids other than the

Successful Bid, if any, shall be deemed to be rejected by the Proposal Trustee on and as of the date of approval of the Successful Bid by the Court.

Approval of Stalking Horse Bid

35. The Stalking Horse Bid will act as the minimum bid against which all other bids will be evaluated in the Sale Process. Unless other Superior Bids are received, it is contemplated that the Stalking Horse Bid will be selected as the Successful Bid in the Sale Process. A copy of the Stalking Horse Bid is attached hereto as Appendix 'V'. Capitalized terms used in this section and not otherwise defined have the meaning ascribed to them in the Stalking Horse Bid.
36. The Proposal Trustee provides a summary of certain material terms of the Stalking Horse Bid below but directs the reader to the Stalking Horse Bid for the full terms and conditions thereof:
- a) the Stalking Horse Bid is structured as an asset purchase;
  - b) the Stalking Horse Bidder is also the DIP Lender and a senior secured creditor;
  - c) the purchase price to be paid by the Stalking Horse Bidder is the sum of i) \$4,900,000 (the "Credit Bid Amount"), and ii) all amounts ranking in priority to the Stalking Horse Bidder's security on the Purchased Assets (the "Priority Payables", and together with the Credit Bid Amount, the "Purchase Price");
  - d) the Stalking Horse Bidder anticipates the retention of the majority of the Company's employees;
  - e) closing is scheduled 15 days, or sooner, after receipt from the Court of an approval and vesting order in respect of the Sale Approval Motion;
  - f) in the event a Qualified Bidder that is not the Stalking Horse Bidder is the successful bidder, the Stalking Horse Bidder is entitled to an expense reimbursement fee of \$50,000 inclusive of HST (the "Expense Reimbursement"). In addition, the Stalking Horse Bid requires that the Expense Reimbursement be paid out of the sale proceeds derived from and upon completion of the Successful Bid; and
  - g) if the Stalking Horse Bidder is the Successful Bidder under the Sale Process, the Expense Reimbursement will not be payable, and the amounts advanced under the Term Sheet will be credited towards the Purchase Price.
37. Management has advised the Proposal Trustee that Cosmetic Synergies Incorporated ("CSI"), the Company's subordinate secured creditor, is supportive of the Sale Process, the Term Sheet and the Stalking Horse Bid. The Company is indebted to 370 Ontario for approximately \$8.6 million (the "370 Ontario Debt"), not including any amounts advanced under the Term Sheet, and to CSI for \$1.34 million, as of March 31, 2025.
38. Over the past 18 months Management made reasonable efforts to secure a strategic partner or investor in the Company prior to the commencement of the Proposal Proceedings without success. The DIP Lender was the

only party that showed credible and timely interest in acquiring the Company's business and funding the Sale Process to allow the Company to effectively market and solicit offers for the sale of the Property for the benefit of Company's stakeholders. The Expense Reimbursement was required to adequately compensate the Stalking Horse Bidder

39. It is the Proposal Trustee's view that the stalking horse sale process will preserve the business and relationships with customers, suppliers and employees by signaling that the business of the Company will continue. In the view of the Proposal Trustee, the Expense Reimbursement amount is fair and reasonable and will not discourage third parties from submitting Bids.

#### 370 ONTARIO SECURITY

40. The Proposal Trustee obtained a security opinion from Capstone Legal ("Capstone") with respect to the security documentation associated with the 370 Ontario Debt.
41. Capstone has advised the Proposal Trustee that, subject to the usual qualifications and assumptions contained, it is of the opinion that the security held by 370 Ontario constitutes a validly perfected security interest in the assets and business of the Indeed enforceable against the Company in accordance with their terms.
42. A copy of the security opinion is available upon request.

#### EXTENSION OF STAY OF PROCEEDINGS

43. The Company is currently required to make a proposal by May 17, 2025.
44. The Company is seeking an extension of the stay of proceedings from May 17, 2025 to July 1, 2025.
45. The Proposal Trustee supports the Company's request as:
  - a) the extension of the stay would permit the Proposal Trustee and the Sales Agent to commence the Sale Process, if approved;
  - b) the Company has acted and continues to act in good faith and with due diligence; and
  - c) no creditor would be materially prejudiced if the extension being applied for is granted.

CONCLUSIONS AND RECOMMENDATIONS

46. Based on the above, the Proposal Trustee respectfully recommends that the Court grant an order providing the relief described in section 8 (b) of this Second Report.

All of which is respectfully submitted this 30<sup>th</sup> day of April, 2025.

BDO CANADA LIMITED  
in its capacity as Proposal  
Trustee of Indeed Laboratories Inc.,  
and not in its corporate or personal  
capacity

A handwritten signature in blue ink, appearing to read "J. Parisi". The signature is written in a cursive, flowing style.

---

Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT  
Title: Senior Vice President

# APPENDIX VII

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE ) FRIDAY, THE 27<sup>TH</sup> DAY  
)  
JUSTICE W.D. BLACK ) OF JUNE, 2025

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**ORDER**

**THIS MOTION**, made by Indeed Laboratories Inc. (“**Indeed Labs**” or the “**Company**”),

for an order, *inter alia*: i) if necessary, abridging the time for service and filing of the Notice of Motion and the Motion Record of Indeed Labs or, in the alternative, dispensing with service thereof; ii) approving the activities and conduct of BDO Canada Limited in its capacity as proposal trustee of Indeed Labs (the “**Proposal Trustee**”) as set out and described in the Third Report of the Proposal Trustee dated June 26, 2025 (the “**Third Report**”); and iii) granting an extension of the time required to file its proposal, from July 1, 2025, the date the current stay expires, to August 15, 2025 (the “**Stay Extension**”), was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the Notice of Motion and the Motion Record dated June 26, 2025, and on hearing the submissions of counsel for the Company, and other parties listed on the Participant Information Form, no one else appearing for any other person on the service list although properly served as appears from the Affidavit of Service of Antoinette DePinto sworn June 26, 2025, filed:



## **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Company is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

## **APPROVAL OF THE THIRD REPORT**

2. **THIS COURT ORDERS** that the Third Report and the actions, conduct and activities of the Proposal Trustee set out therein are hereby approved; provided however, in each case, that only the Proposal Trustee, in its personal capacity and only with respect to its own liability shall be entitled to rely upon or utilize in any way such approvals.

## **EXTENSION OF TIME TO FILE A PROPOSAL**

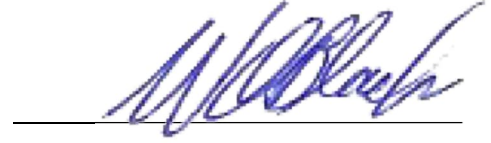
3. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended to August 15, 2025 (as that date may be extended by further order of the Court).

## **GENERAL**

4. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

5. **THIS COURT ORDERS** that the Company or the Proposal Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

6. **THIS COURT ORDERS** that this Order is effective from today's date and it is made and enforceable without any need for entry or filing.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to read "W. Blach".

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No.: BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
IN BANKRUPTCY AND INSOLVENCY**

**ORDER**

**CHAITONS LLP**

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**Lawyers for Indeed Laboratories Inc.**

# APPENDIX VIII

District of Ontario  
Division No. 09 - Mississauga  
Court File No. 32-3213105  
Estate No. 32-3213105

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.  
OF THE CITY OF MISSISSAUGA,  
IN THE REGIONAL MUNICIPALITY OF PEEL,  
IN THE PROVINCE OF ONTARIO.

THIRD REPORT OF THE PROPOSAL TRUSTEE  
JUNE 26, 2025

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## LIST OF APPENDICES

- Appendix I - April 24, 2025 Court Order and Endorsement
- Appendix II - First Report of the Proposal Trustee without appendices
- Appendix III - May 2, 2025 Sales Process Order
- Appendix IV - May 2, 2025 Ancillary Order
- Appendix V - Second Report of the Proposal Trustee without appendices
- Appendix VI - Amended Cash Flow

## INTRODUCTION

1. On April 17, 2025, Indeed Laboratories Inc. (“**Indeed**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *Bankruptcy & Insolvency Act* (the “**BIA**”). BDO Canada Limited was named as the Licensed Insolvency Trustee (in such capacity, the “**Proposal Trustee**”) in these proceedings (the “**Proposal Proceedings**”).
  2. Michael B. Davidson (“**Michael**”) is the sole director of the Company. The background and circumstances leading to the Company’s NOI filing are described in the First Report and the Affidavit of Kevin Watkinson sworn April 23, 2025.
  3. On April 24, 2025, the Court granted an order (the “**Apr 24 Order**”), *inter alia*:
    - a) authorizing the Company to enter into an interim financing term sheet with 1000481370 Ontario Inc. (in such capacity, the “**DIP Lender**”, otherwise referred to as “**370 Ontario**”) dated April 22, 2025 (the “**Term Sheet**”), to obtain interim financing of up to \$500,000 to facilitate the continued operations of the Company during these proceedings and 370 Ontario was granted a \$500,000 second ranking priority charge over all of the Company’s assets, undertakings and property to secure repayment of the financing; and
    - b) authorizing interim advances under the Term Sheet of up to \$75,000 until further order of the Court.
- A copy of the Apr 24 Order and Endorsement are attached as **Appendix ‘I’**.
4. In support of the April 24, 2025 motion, the Proposal Trustee filed its First Report (the “**First Report**”) dated April 23, 2025. A copy of the First Report, without appendices, is attached as **Appendix ‘II’**.
  5. On May 2, 2025, the Court granted the following:
    - I. An order (the “**Sales Process Order**”) which, *inter alia*:
      - (i) approved a Sales Process for the Company’s Property, to be administered by the Proposal Trustee;
      - (ii) approved and authorized Indeed to enter into the stalking horse purchase agreement dated April 29, 2025 (the “**Stalking Horse Bid**”) with 370 Ontario, or its nominee (in such capacity, the “**Stalking Horse Bidder**”); and
      - (iii) approved the payment and priority of the Expense Reimbursement as provided for in the Stalking Horse Bid; and

- II. An ancillary order (the “**Ancillary Order**”) which, *inter alia*:
  - (i) approved the First Report, the Second Report and the conduct and activities of the Proposal Trustee contained therein;
  - (ii) approved a \$250,000 first ranking priority charge over all of the Company’s assets, undertakings, and property (the “**Administration Charge**”) in favour of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company to secure payment of their professional fees and disbursements;
  - (iii) authorized an increase in the amount the Company is authorized to borrow up to the maximum of the \$500,000 under the Term Sheet; **and**
  - (iv) approved an extension of the time required for the Company to file its proposal from May 17, 2025, to July 1, 2025.

A copy of the Sales Process Order is attached as **Appendix ‘III’** and a copy of the Ancillary Order is attached as **Appendix ‘IV’**.

6. In support of the May 2, 2025 motion, the Proposal Trustee filed its Second Report (the “**Second Report**”) dated April 30, 2025. A copy of the Second Report, without appendices, is attached as **Appendix ‘V’**.

#### **PURPOSE**

7. This is the third report of the Proposal Trustee (the “**Third Report**”) to be filed in the Proposal Proceedings. The purpose of the Third Report is to:
  - a) provide this Court with information regarding:
    - (i) the Proposal Trustee’s activities since the Second Report; and
    - (ii) an update and results of the Sales Process; and
  - b) support the Company’s motion seeking an order (the “**Order**”):
    - (i) approving the Third Report, the appendices attached hereto, and the conduct and activities of the Proposal Trustee described herein;
    - (ii) granting an extension of the time required for the Company to file its proposal from July 1, 2025, the date the current stay expires, to August 15, 2025 (the “**Second Stay Extension**”); and
    - (iii) such further and other relief as the Court may deem just and equitable.

8. All materials filed with the Court in the Proposal Proceedings are accessible on the Proposal Trustee's website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/IndeedLabs> (the "Proposal Trustee's Website").

#### TERMS OF REFERENCE

9. In preparing the Third Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Company, discussions with management of the Company ("Management"), and information from other third-party sources (collectively, the "Information"). Except as described in the First Report, the Second Report and the Third Report in respect of the Cash Flow Forecast:
- (a) the Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposal Trustee 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 Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) some of the information referred to in the Third Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
10. Future-oriented financial information referred to in the Third Report was prepared based on Management'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 variation could be significant.
11. Unless otherwise indicated, the Proposal Trustee's understanding of factual matters expressed in the Third Report concerning the Company and its business is based on the Information, and not independent factual determinations made by the Proposal Trustee.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

13. Capitalized terms used herein and not defined in the Third Report shall have the meaning ascribed to them in the First Report, the Sales Process or the Second Report, as the case may be.

#### **PROPOSAL TRUSTEE'S ACTIVITIES**

14. Since the date of the Second Report, the Proposal Trustee has undertaken the following activities:

- a) attended the Company's second motion, which occurred on May 2, 2025;
- b) uploaded all court materials and certain other relevant documents, including the Sales Process update, to the Proposal Trustee's Website;
- c) engaged with its legal counsel, Chaitons LLP, regarding matters related to these Proposal Proceedings;
- d) participated in various calls with Management;
- e) continued to assist the Company with stakeholder communications;
- f) continued to respond to calls, e-mails and letters received from creditors and other parties;
- g) assisted the Company in maintaining and negotiating continued customer relationship with Shoppers Drug Mart;
- h) reviewed the Company's actual cash receipts and disbursements and variances to budget for the same time period as outlined in the Cash Flow Forecasts;
- i) assisted with the preparation of the Sales Process and related materials, including:
  - (i) supervised and assisted the Sales Agent with activities related to the Sales Process;
  - (ii) reviewed and assisted in drafting the teaser document, confidential information memorandum (the "CIM"), and non-disclosure agreement (the "NDA");
  - (iii) set up a virtual data room ("VDR"), and compiled financial and operational information to aid potential purchasers in their due diligence process;
  - (iv) reviewed and commented on draft Sales Process letter;

- (v) drafted and placed opportunity advertisement in Globe & Mail, consistent with the Sales Process Order;
- (vi) held various discussions with the Sales Agent to address any due diligence questions and Sales Process inquiries from interested parties; and
- (vii) provided updates to Management regarding the Sales Process;
- j) prepared this Third Report; and
- k) attended to other matters pertaining to the administration of these Proposal Proceedings.

**SALES PROCESS UPDATE**

15. The Sales Process, as approved by this Court, proposed the following timeline (subject to reasonable adjustment at the sole discretion of the Proposal Trustee):

Milestone	Deadline
Commencement of Sales Process	Within 5 business days after receipt of Sales Process Order
Distribution of the Notice and Teaser Letter	May 13, 2025
Bid Deadline	June 13, 2025
Auction	No later than June 20, 2025
Sale Approval Hearing	No later than July 31, 2025
Outside Closing Date Deadline	August 31, 2025

16. Immediately following the issuance of the Sales Process Order, the Proposal Trustee and Sales Agent, among other things, have:

- a) finalized and prepared a list of 110 potential bidders to approach regarding the Sales Process opportunity (the “**Opportunity**”). Included in the list were a number of potentially interested parties provided by Indeed, which Management had discussions with prior to these Proposal Proceedings;
- b) prepared and distributed a teaser to the potential bidders setting out the opportunity, to be delivered to potential bidders to elicit interest in the Opportunity (the “**Teaser**”);
- c) prepared the NDA which potential bidders were required to execute in order to receive confidential information regarding the Opportunity;

- d) prepared a CIM detailing the Company's assets and operations and which allows potential bidders to assess the Company's financial and operating situation and the Opportunity;
  - e) worked with the Sales Agent and Management to populate the VDR with financial and operational documents that may be required for the due diligence process; and
  - f) published an advertisement in the national edition of The Globe & Mail on May 26, 2025, to canvass further interested parties, all of whom would be added to the list of potential bidders.
17. The Sales Agent circulated the Teaser and NDA to the 110 potential bidders identified. Fourteen (14) interested parties signed the NDA and were provided access to the VDR for their review and due diligence.
  18. The Sales Agent followed up with the identified parties a second and third time during the Sales Process. A total of fifty-seven (57) parties passed on the Opportunity and thirty-nine (39) did not respond.
  19. Leading up to the June 13, 2025 Bid Deadline, three (3) parties actively continued with their due diligence in the VDR. Accordingly, the Proposal Trustee and Management determined it was necessary to extend the Bid Deadline to allow the parties to complete their due diligence without the pressure of the looming deadline. The Sales Agent communicated to the remaining parties that the Bid Deadline would be extended to June 18, 2025 @ 5 p.m. (the **"Extended Bid Deadline"**).
  20. The remaining parties subsequently communicated with the Sales Agent stating they would not be submitting an offer. No Bids were received by the Extended Bid Deadline.
  21. Pursuant to the Sales Process, with no Superior Bid received, the Stalking Horse Bidder is declared to be the Successful Bidder, subject to court approval.
  22. Considering the current proposal period lapses July 1, 2025, the Stalking Horse Bidder has insufficient time to close the transaction in an orderly fashion, including the transitioning of the employees and customers of the Company. Accordingly, the Company is seeking the Second Stay Extension to allow for a smooth transaction and return to this Court at a later date for approval of the Successful Bid.

## INDEED'S RECEIPTS AND DISBURSEMENTS TO DATE

23. The Company's actual net cash outflow for the nine (9) week period ended June 22, 2025, was \$73,825 compared to a forecasted net cash outflow of \$482,459 over that same period as outlined in the Cash Flow Forecast. This positive variance is summarized below:

	Week ending June 22, 2025		
	Projection	Actual	Variance
<b><u>Receipts</u></b>			
CAD AR	\$ 259,741	\$ 404,822	\$ 145,081
US AR	62,460	59,625	(\$2,835)
<b>Total receipts</b>	<b>\$ 322,201</b>	<b>\$ 464,448</b>	<b>\$ 142,247</b>
<b><u>Disbursements</u></b>			
Salaries	140,080	153,864	13,784
Source Deductions	75,600	80,818	5,218
HST	15,000	-	(15,000)
Rent	53,000	52,794	(206)
Property tax & Utilities	8,480	9,842	1,362
Marketing Costs	90,000	33,988	(56,012)
Warehouse Costs	30,000	29,539	(461)
Shipping costs	45,000	13,357	(31,643)
Inventory Purchases	189,500	-	(189,500)
Miscellaneous	18,000	25,493	7,493
Professional fees	140,000	138,578	(1,422)
<b>Total disbursements</b>	<b>\$ 804,660</b>	<b>\$ 538,273</b>	<b>(\$266,387)</b>
<b>NET CASH FLOW</b>	<b>(\$482,459)</b>	<b>(\$73,825)</b>	<b>\$408,634</b>
Opening bank position	\$ 206,615	\$ 83,492	\$ -
Closing cash (deficit)			
Funding from DIP Facility	295,880	-	(\$295,880)
<b>Closing cash (deficit) after DIP funding</b>	<b>\$ 20,036</b>	<b>\$ 9,667</b>	<b>(\$10,369)</b>

24. An explanation of the key variances are:

### Receipts

- (i) The Company's collection of approximately \$123,000 of accounts receivables was allocated to the week ended April 20, 2025. The accounts receivable was not recorded in the Company's bank account until April 21, 2025, creating a positive variance.

### Disbursements

- (i) The Company filed the NOI on Thursday, April 17, 2025. Accordingly, the Company did not incur marketing or shipping costs during the initial week ended April 27, 2025, to allow it time to communicate with customers in an effort to ensure satisfactory arrangements remain in place for the ongoing sales of Indeed's product line;

- (ii) The Company has had sufficient inventory to fill orders and has not been required to supplement with new purchases; and
  - (iii) Management has actively managed its marketing costs to reduce expenses that they determine would not result in an immediate return on investment.
25. Considering the improved actual operational receipts and disbursements, the Company has not had to borrow the projected \$295,880 from the Court-approved Dip Financing under the Term Sheet.

#### **EXTENDED CASH FLOW PROJECTIONS**

26. The Company's initial 15-week cash flow (the "**Cash Flow**") was up to and including the period ending August 3, 2025.
27. The Company has amended and extended its cash flow projections to the period ending September 28, 2025 (the "**Amended Cash Flow**"). A copy of the Amended Cash Flow is attached as **Appendix "VI"**.
28. Based upon the Amended Cash Flow as presented, and the ability to draw upon the Court-approved DIP Financing of approximately \$500,000 during the Amended Cash Flow period, the Company has sufficient cash on hand for the term of the Amended Cash Flow.

#### **EXTENSION OF STAY OF PROCEEDINGS**

29. As reported above, the Stalking Horse Bidder was ultimately determined to be the Successful Bidder pursuant to the Court-approved Sales Process undertaken by the Proposal Trustee and the Sales agent.
30. The Ancillary Order provided the Company with an extension of the stay of proceedings from May 17, 2025 to July 1, 2025.
31. The Stalking Horse Bidder has requested additional time to arrange its affairs and prepare for the closing of the Transaction. Accordingly, the Company is seeking the Second Stay Extension to allow for a seamless transition.
32. In the Proposal Trustee's view, based on the Amended Cash Flow, the Company will have sufficient liquidity to satisfy its obligations as they come due during the proposed extension period.
33. The Proposal Trustee supports the Company's request for the following reasons:

- a) the extension of the stay would permit the Stalking Horse Bidder and the Company to arrange their affairs to allow for the transition of the business, the Company's Property and employees and facilitate a seamless closing of the Transaction;
- b) the Company has acted and continues to act, in good faith and with due diligence; and
- c) no creditor would be materially prejudiced if the extension being applied for is granted.

**CONCLUSIONS AND RECOMMENDATIONS**

34. Based on the above, the Proposal Trustee respectfully recommends that the Court grant an order providing the relief described in section 7(b) of this Third Report.

All of which is respectfully submitted this 26<sup>th</sup> day of June 2025.

**BDO CANADA LIMITED**  
in its capacity as Proposal  
Trustee of Indeed Laboratories Inc.,  
and not in its corporate or personal  
capacity



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Name: Peter Naumis, CIRP, LIT  
Title: Vice President

# APPENDIX IX

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

THE HONOURABLE ) FRIDAY, THE 15<sup>TH</sup> DAY  
 )  
JUSTICE W.D. BLACK ) OF AUGUST, 2025

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**ORDER**

**THIS MOTION**, made by Indeed Laboratories Inc. (“**Indeed Labs**” or the “**Company**”),  
for an order, *inter alia*,:

- (i) if necessary, abridging the time for service and filing of the Notice of Motion and the Motion Record of Indeed Labs or, in the alternative, dispensing with service thereof;
- (ii) approving the activities and conduct of BDO Canada Limited in its capacity as proposal trustee of Indeed Labs (the “**Proposal Trustee**”) as set out and described in the Fourth Report of the Proposal Trustee dated August 7, 2025 (the “**Fourth Report**”); and
- (iii) granting an extension of the time required to file its proposal, from August 15, 2025, the date the current stay expires, to September 29, 2025 (the “**Stay Extension**”),

was heard this day at 330 University Avenue, Toronto, Ontario via videoconference.

**ON READING** the Notice of Motion and the Motion Record dated August 11, 2025, and on hearing the submissions of counsel for the Company, and other parties listed on the Participant Information Form, no one else appearing for any other person on the service list although properly served as appears from the Affidavit of Service of Antoinette DePinto sworn August 12, 2025, filed:

### **SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record of the Company is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

### **APPROVAL OF THE FOURTH REPORT**

2. **THIS COURT ORDERS** that the Fourth Report and the actions, conduct and activities of the Proposal Trustee set out therein are hereby approved; provided however, in each case, that only the Proposal Trustee, in its personal capacity and only with respect to its own liability shall be entitled to rely upon or utilize in any way such approvals.

### **EXTENSION OF TIME TO FILE A PROPOSAL**

3. **THIS COURT ORDERS** that, pursuant to Section 50.4(9) of the BIA, the time for the Company to file a proposal is hereby extended to September 29, 2025 (as that date may be extended by further order of the Court).

**GENERAL**

4. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

5. **THIS COURT ORDERS** that the Company or the Proposal Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

6. **THIS COURT ORDERS** that this Order is effective from today's date and it is made and enforceable without any need for entry or filing.

A handwritten signature in blue ink is written over a horizontal line. The signature is cursive and appears to be 'M. Black'.

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No.: BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST  
IN BANKRUPTCY AND INSOLVENCY**

**ORDER**

**CHAITONS LLP**

5000 Yonge Street, 10th Floor  
Toronto, Ontario M2N 7E9

**Harvey Chaiton** (LSO #21592F)

Tel: (416) 218-1129

Email: [harvey@chaitons.com](mailto:harvey@chaitons.com)

**Lawyers for Indeed Laboratories Inc.**

# APPENDIX X

District of Ontario  
Division No. 09 - Mississauga  
Court File No. 32-3213105  
Estate No. 32-3213105

*ONTARIO*  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY & INSOLVENCY)

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.  
OF THE CITY OF MISSISSAUGA,  
IN THE REGIONAL MUNICIPALITY OF PEEL,  
IN THE PROVINCE OF ONTARIO

FOURTH REPORT OF THE PROPOSAL TRUSTEE  
AUGUST 7, 2025

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## LIST OF APPENDICES

- Appendix I - April 24, 2025 Court Order and Endorsement
- Appendix II - First Report of the Proposal Trustee without appendices
- Appendix III - May 2, 2025 Sales Process Order
- Appendix IV - May 2, 2025 Ancillary Order
- Appendix V - Second Report of the Proposal Trustee without appendices
- Appendix VI - June 27, 2025 Second Extension Order
- Appendix VII - Third Report of the Proposal Trustee without appendices

## INTRODUCTION

1. On April 17, 2025, Indeed Laboratories Inc. (“**Indeed**” or the “**Company**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) pursuant to the *Bankruptcy & Insolvency Act*. BDO Canada Limited was named as the Licensed Insolvency Trustee (in such capacity, the “**Proposal Trustee**”) in these proceedings (the “**Proposal Proceedings**”).
2. Michael B. Davidson is the sole director of the Company. The background and circumstances leading to the Company’s NOI filing are described in the First Report and the Affidavit of Kevin Watkinson sworn April 23, 2025.
3. On April 24, 2025, the Court granted an order (the “**Apr 24 Order**”), *inter alia*:
  - a) authorizing the Company to enter into an interim financing term sheet with 1000481370 Ontario Inc. (in such capacity, the “**DIP Lender**” or “**370 Ontario**”) dated April 22, 2025 (the “**Term Sheet**”), to obtain interim financing of up to \$500,000 to facilitate the continued operations of the Company during these proceedings and 370 Ontario was granted a \$500,000 second ranking priority charge over all of the Company’s assets, undertakings and property to secure repayment of the financing; and
  - b) authorizing interim advances under the Term Sheet of up to \$75,000 until further order of the Court.A copy of the Apr 24 Order and Endorsement are attached as **Appendix ‘I’**.
4. In support of the April 24, 2025 motion, the Proposal Trustee filed its First Report (the “**First Report**”) dated April 23, 2025. A copy of the First Report, without appendices, is attached as **Appendix ‘II’**.
5. On May 2, 2025, the Court granted the following:
  - I. An order (the “**Sales Process Order**”) which, *inter alia*:
    - (i) approved a Sales Process for the Company’s Property, to be administered by the Proposal Trustee;
    - (ii) approved and authorized Indeed to enter into the stalking horse purchase agreement dated April 29, 2025 (the “**Stalking Horse Bid**”) with 370 Ontario, or its nominee (in such capacity, the “**Stalking Horse Bidder**”); and
    - (iii) approved the payment and priority of the Expense Reimbursement as provided for in the Stalking Horse Bid; and
  - II. An ancillary order (the “**Ancillary Order**”) which, *inter alia*:

- (i) approved the First Report, the Second Report and the conduct and activities of the Proposal Trustee contained therein;
- (ii) approved a \$250,000 first ranking priority charge over all of the Company's assets, undertakings, and property (the "**Administration Charge**") in favour of the Proposal Trustee, counsel for the Proposal Trustee and counsel for the Company to secure payment of their professional fees and disbursements;
- (iii) authorized an increase in the amount the Company is authorized to borrow up to the maximum of the \$500,000 under the Term Sheet; and
- (iv) approved an extension of the time required for the Company to file its proposal from May 17, 2025, to July 1, 2025.

A copy of the Sales Process Order is attached as **Appendix 'III'** and a copy of the Ancillary Order is attached as **Appendix 'IV'**.

- 6. In support of the May 2, 2025 motion, the Proposal Trustee filed its Second Report (the "**Second Report**") dated April 30, 2025. A copy of the Second Report, without appendices, is attached as **Appendix 'V'**.
- 7. On June 27, 2025, the Court granted an order which, among other things, approved an extension of the time required by the Company to file its proposal from July 1, 2025 to August 15, 2025 (the "**Second Extension Order**"). A copy of the Second Extension Order is attached as **Appendix 'VI'**. In support of the Second Extension Order, the Proposal Trustee filed with this Court its Third Report (the "**Third Report**") dated June 26, 2025. A copy of the Third Report, without appendices, is attached as **Appendix 'VII'**.

## **PURPOSE**

- 8. This is the fourth report of the Proposal Trustee (the "**Fourth Report**") to be filed in the Proposal Proceedings. The purpose of the Fourth Report is to:
  - a) provide this Court with information regarding:
    - (i) the Proposal Trustee's activities since the Third Report; and
    - (ii) an update on sale to the Stalking Horse Bidder; and
  - b) support the Company's motion seeking an order (the "**Order**");

- (i) approving the Fourth Report, the appendices attached hereto, and the conduct and activities of the Proposal Trustee described herein;
  - (ii) granting an extension of the time required for the Company to file its proposal from August 15, 2025, the date the current stay expires, to September 29, 2025 (the “Third Stay Extension”); and
  - (iii) such further and other relief as the Court may deem just and equitable.
9. All materials filed with the Court in the Proposal Proceedings are accessible on the Proposal Trustee’s website at: <https://www.bdo.ca/services/financial-advisory-services/business-restructuring-turnaround-services/current-engagements/IndeedLabs> (the “Proposal Trustee’s Website”).

#### TERMS OF REFERENCE

10. In preparing the Fourth Report and making the comments herein, the Proposal Trustee has been provided with, and has relied upon, unaudited financial information, books and records prepared by the Company, discussions with management of the Company (“Management”), and information from other third-party sources (collectively, the “Information”). Except as described in the First Report, the Second Report, the Third Report and the Fourth Report in respect of the Cash Flow Forecast:
- (a) the Proposal Trustee has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Proposal Trustee 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 Canadian Auditing Standards (“CAS”) pursuant to the Chartered Professional Accountants Canada Handbook and, accordingly, the Proposal Trustee expresses no opinion or other form of assurance contemplated under CAS in respect of the Information; and
  - (b) some of the information referred to in the Fourth Report consists of forecasts and projections. An examination or review of the financial forecast and projections, as outlined in the Chartered Professional Accountants Canada Handbook, has not been performed.
11. Future-oriented financial information referred to in the Fourth Report was prepared based on Management’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 variation could be significant.
12. Unless otherwise indicated, the Proposal Trustee’s understanding of factual matters expressed in the Fourth

Report concerning the Company and its business is based on the Information, and not independent factual determinations made by the Proposal Trustee.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.
14. Capitalized terms used herein and not defined in the Fourth Report shall have the meaning ascribed to them in the First Report, the Sales Process, the Second Report or the Third Report, as the case may be.

#### **PROPOSAL TRUSTEE'S ACTIVITIES**

15. Since the date of the Third Report, the Proposal Trustee has undertaken the following activities:
  - a) attended the Company's third motion, which occurred on June 27, 2025;
  - b) uploaded all court materials and maintained the Proposal Trustee's case website for these Proposal Proceedings;
  - c) participated in various calls with Management;
  - d) continued to assist the Company with stakeholder communications;
  - e) continued to respond to calls, e-mails and letters received from creditors and other parties;
  - f) assisted the Company in maintaining and negotiating a continued customer relationship with Shoppers Drug Mart ("SDM");
  - g) correspondence with a pre-filing creditor advising of the stay of proceedings imposed by these Proposal Proceedings and the necessity to release Company inventory;
  - h) reviewed the Company's actual cash receipts and disbursements and variances to budget for the same time period as outlined in the Cash Flow Forecast;
  - i) prepared this Fourth Report; and
  - j) attended to other matters pertaining to the administration of these Proposal Proceedings.

#### **UPDATE ON SALE TO STALKING HORSE BIDDER**

16. As reported in the Third Report, no Bids were received by the Extended Bid Deadline in the Sales Process.
17. Accordingly, with no Superior Bid received, the Stalking Horse Bidder was declared to be the Successful Bidder, subject to court approval, which has not yet been obtained.

18. The Stalking Horse Bidder continues to work towards the transitioning of the Company's employees and customers, negotiating a contract with SDM and arranging for the other ancillary operational requirements to allow the transaction to close in an orderly fashion and with limited or no interruption to employment or otherwise.
19. Accordingly, the Company is seeking the Third Stay Extension and return to this Court at a later date for approval of the Successful Bid.

#### INDEED'S RECEIPTS AND DISBURSEMENTS TO DATE

20. The Company's actual net cash inflow for the fourteen (14) week period ended July 27, 2025 was \$58,332 compared to a forecasted net cash outflow of \$697,659 over that same period as outlined in the Cash Flow Forecast. This positive variance is summarized below:

	Week ending July 27, 2025		
	Projection	Actual	Variance
<b><u>Receipts</u></b>			
CAD AR	\$ 349,741	\$ 675,602	\$ 325,861
US AR	70,460	70,782	322
<b>Total receipts</b>	<b>\$ 420,201</b>	<b>\$ 746,383</b>	<b>\$ 326,182</b>
<b><u>Disbursements</u></b>			
Salaries	180,080	189,285	9,205
Source Deductions	95,600	98,822	3,222
HST	35,000	-	(35,000)
VAT	10,000	3,172	(6,828)
Rent	63,000	52,794	(10,206)
Property tax & Utilities	15,680	19,510	3,830
Marketing Costs	135,000	45,719	(89,281)
Warehouse Costs	41,000	31,115	(9,885)
Shipping costs	60,000	22,002	(37,998)
Inventory Purchases	189,500	-	(189,500)
Miscellaneous	33,000	49,308	16,308
Professional fees	260,000	176,324	(83,676)
<b>Total disbursements</b>	<b>\$ 1,117,860</b>	<b>\$ 688,051</b>	<b>(\$429,809)</b>
<b>NET CASH FLOW</b>	<b>(\$697,659)</b>	<b>\$ 58,332</b>	<b>\$ 755,991</b>
Opening bank position	\$ 206,615	\$ 83,492	\$ -
Closing cash (deficit)			
Funding from DIP Facility	515,880	100,000	(\$415,880)
<b>Closing cash (deficit) after DIP funding</b>	<b>\$ 24,836</b>	<b>\$ 241,824</b>	<b>\$ 216,988</b>

21. An explanation of the key variances are:

#### Receipts

- (i) The Company's collection of approximately \$123,000 of accounts receivables was allocated to the week ended April 20, 2025. The accounts receivable was not recorded in the Company's

bank account until April 21, 2025, creating a positive variance; and

- (ii) The Company successfully negotiated, with the assistance of the Proposal Trustee, the continued supply of products to SDM, wherein SDM acknowledged and accepted any pre-filing amounts owing to SDM were caught by the NOI filing and SDM would not offset pre-filing claims against amounts owing for new orders submitted to Indeed. This allowed the Company to continue to fill new orders placed by SDM.

#### Disbursements

- (i) The Company has had sufficient inventory to fill orders and has not been required to supplement with new purchases;
- (ii) Management has actively managed its marketing, and other, costs to reduce expenses that they determine would not result in an immediate return on investment; and
- (iii) HST and Professional fee positive variances are timing issues.

#### **EXTENSION OF STAY OF PROCEEDINGS**

- 22. As reported above, the Stalking Horse Bidder was ultimately determined to be the Successful Bidder pursuant to the Court-approved Sales Process undertaken by the Proposal Trustee and the Sales Agent.
- 23. The Ancillary Order provided the Company with an extension of the stay of proceedings from May 17, 2025 to July 1, 2025, which was subsequently extended to August 15, 2025 by virtue of the Second Extension Order.
- 24. The Stalking Horse Bidder has requested additional time to arrange its affairs and prepare for the closing of the Transaction. Accordingly, the Company is seeking the Third Stay Extension to allow for a seamless transition.
- 25. In the Proposal Trustee's view, based on the Amended Cash Flow (to the period ending September 28, 2025, included in the Third Report), the Company will have sufficient liquidity to satisfy its obligations as they come due during the proposed extension period.
- 26. The Proposal Trustee supports the Company's request for the following reasons:
  - a) the extension of the stay would permit the Stalking Horse Bidder and the Company to arrange their affairs to allow for the transition of the business, the Company's Property and employees and facilitate a seamless closing of the Transaction;
  - b) the Company has acted and continues to act, in good faith and with due diligence; and

c) no creditor would be materially prejudiced if the extension being applied for is granted.

27. Based upon the Amended Cash Flow as presented, and the ability to draw upon the Court-approved DIP Financing of approximately \$500,000 during the Amended Cash Flow period, the Company has sufficient cash on hand for the term of the Third Stay Extension.

#### **CONCLUSIONS AND RECOMMENDATIONS**

28. Based on the above, the Proposal Trustee respectfully recommends that the Court grant the Order providing the relief described in section 8(b) of this Fourth Report.

All of which is respectfully submitted this 7th day of August 2025.

**BDO CANADA LIMITED**  
**in its capacity as Proposal**  
**Trustee of Indeed Laboratories Inc.,**  
**and not in its corporate or personal**  
**capacity**



---

Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT  
Title: Senior Vice President

# APPENDIX XI

## Certificate of Amendment

## Certificat de modification

Business Corporations Act

Loi sur les sociétés par actions

**INDEED LABORATORIES LTD.**

Corporation Name / Dénomination sociale

**1000481370**

Ontario Corporation Number / Numéro de société de l'Ontario

This is to certify that these articles are effective on

La présente vise à attester que ces statuts entreront en  
vigueur le

**September 16, 2025 / 16 septembre 2025**

*V. Quintanilla W.*

Director / Directeur

Business Corporations Act / Loi sur les sociétés par actions

The Certificate of Amendment is not complete  
without the Articles of Amendment

Certified a true copy of the record of the  
Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar



Ce certificat de modification n'est pas complet s'il  
ne contient pas les statuts de modification

Copie certifiée conforme du dossier du  
ministère des Services au public et aux  
entreprises.

*V. Quintanilla W.*

Directeur ou registrateur



# Articles of Amendment

Business Corporations Act

## Corporation Name (Date of Incorporation/Amalgamation)

1000481370 ONTARIO INC. (March 21, 2023)

### 1. The name of the corporation is changed to:

INDEED LABORATORIES LTD.

### 2. The number of directors or the minimum/maximum number of directors are amended as follows:

Not amended

### 3. The articles are amended as follows:

#### A. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise. If none, enter "None":

Not amended

#### B. The classes and any maximum number of shares that the corporation is authorized to issue:

Not amended

#### C. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors' authority with respect to any class of shares which may be issued in series. If there is only one class of shares, enter "Not Applicable":

Not amended

The endorsed Articles of Amendment are not complete without the Certificate of Amendment.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

A handwritten signature in black ink, appearing to read "V. Quintanilla W.", written in a cursive style.

Director/Registrar, Ministry of Public and Business Service Delivery

**D. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows. If none, enter "None":**

Not amended

**E. Other provisions:**

Not amended

**4. The amendment has been duly authorized as required by sections 168 and 170 (as applicable) of the Business Corporations Act.**

**5. The resolution authorizing the amendment was approved by the shareholders/directors (as applicable) of the corporation on:**

September 15, 2025

**The articles have been properly executed by the required person(s).**

The endorsed Articles of Amendment are not complete without the Certificate of Amendment.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar, Ministry of Public and Business Service Delivery

**Supporting Information - Nuans Report Information**

**Nuans Report Reference #**

122641195

**Nuans Report Date**

September 08, 2025

The endorsed Articles of Amendment are not complete without the Certificate of Amendment.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar, Ministry of Public and Business Service Delivery

# APPENDIX XII

IN THE MATTER OF THE PROPOSAL OF  
 INDEED LABORATORIES INC.  
 OF THE CITY OF MISSISSAUGA,  
 IN THE REGIONAL MUNICIPALITY OF PEEL,  
 IN THE PROVINCE OF ONTARIO.

AMENDED STATEMENT OF PROJECTED CASH-FLOW  
 FOR THE PERIOD ENDING NOVEMBER 16, 2025

	Forecast 28-Sep	Forecast 05-Oct	Forecast 12-Oct	Forecast 19-Oct	Forecast 26-Oct	Forecast 02-Nov	Forecast 09-Nov	Forecast 16-Nov
<u>Receipts</u>								
CAD AR	\$ 35,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
US AR	2,000	-	-	-	-	-	-	-
Total receipts	\$ 37,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Disbursements</u>								
Salaries	22,000	-	-	-	-	-	-	-
Source Deductions	9,000	-	-	-	-	-	-	-
HST	-	-	-	-	-	-	-	-
VAT	-	-	-	-	-	-	-	-
Rent	-	-	-	-	-	-	-	-
Property tax & Utilities	-	-	-	-	-	-	-	-
Marketing Costs	15,000	-	-	-	-	-	-	-
Warehouse Costs	-	-	-	-	-	-	-	-
Shipping costs	3,000	-	-	-	-	-	-	-
Inventory Purchases	10,000	-	-	-	-	-	-	-
Miscellaneous	3,500	-	-	-	-	-	-	-
Professional fees	20,000	-	-	-	-	-	-	-
Transfer to Indeed Laboratories Ltd.		116,800						
Total disbursements	\$ 82,500	\$ 116,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NET CASH FLOW	(\$45,500)	(\$116,800)	\$0	\$0	\$0	\$0	\$0	\$0
Opening bank position	\$ 162,300	\$ 116,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Closing cash (deficit)								
Funding from DIP Facility	-	-	-	-	-	-	-	-
Closing cash (deficit) after DIP funding	\$ 116,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

- The cashflow forecast has been extended by an additional seven weeks, from week ending September 29, 2025, through to week ending November 16, 2025 to accommodate post-bankruptcy inflows and outflows, as authorized in the APA.
- Certain accounts receivable collections of balances owing prior to the closing of the Transaction are expected to be received post closing. These payments have historically been paid directly to the Company's bank accounts as direct deposits. Accordingly, these funds will be transferred to the Purchaser - Indeed Laboratories Ltd., resulting in a net-zero cashflow impact on a weekly basis.
- Final taxes and related obligations arising from the period prior to closing the Transaction are expected to be settled. The funding, if required, will be transferred from Indeed Laboratories Ltd. to the Company's account, resulting in a net-zero impact on weekly cashflow.

# APPENDIX XIII

ONTARIO  
SUPERIOR COURT OF JUSTICE  
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE PROPOSAL OF  
INDEED LABORATORIES INC  
OF THE CITY OF MISSISSAUGA,  
IN THE PROVINCE OF ONTARIO.

AFFIDAVIT OF PETER NAUMIS

I, Peter Naumis, of the City of Mississauga, in the Province of Ontario, make oath and say as follows:

1. THAT, I am a Vice President of BDO Canada Limited, Licensed Insolvency Trustee in the Proposal of Indeed Laboratories Inc., and as such I have knowledge of the facts hereinafter deposed.
2. THAT, on April 17, 2025 Indeed Laboratories Inc., ("Indeed" or the "Company") filed a Notice of Intention to Make a Proposal ("NOI") pursuant to the *Bankruptcy & Insolvency Act* (the "BIA"). BDO Canada Limited was named as the Licensed Insolvency Trustee (in such capacity, the "Proposal Trustee") in these proceedings (the "Proposal Proceedings").
3. Attached hereto and marked as Exhibit "A" to this affidavit is a summary of fees and disbursements rendered between April 11, 2025 to August 31, 2025. Attached hereto and marked as Exhibit "B" are true copies of the accounts rendered between April 11, 2025 to August 31, 2025, which contain detailed descriptions of the services provided by the Proposal Trustee.
4. The time shown in the detailed accounts attached as Exhibit "B" are a fair and accurate description of the services provided, and the amounts charged by the Proposal Trustee which reflect the Proposal Trustee's time as billed at the standard billing rates.
5. The Proposal Trustee requests that the Court approve its accounts from April 11, 2025 to August 31, 2025 in the amount of \$148,339.19 inclusive of disbursements and HST for the services set out In Exhibit "B".
6. THAT, this affidavit is sworn in support of the Proposal Trustee's motion for, among other things, approval of its fees and disbursements and for no other or improper purpose.

SWORN BEFORE ME at the  
City of Toronto, in the Province  
of Ontario this 23<sup>rd</sup> day of September 2025



A Commissioner, etc.




Peter Naumis

Attached is Exhibit "A"  
Referred to in the  
AFFIDAVIT OF PETER NAUMIS

Sworn before me

This 23<sup>rd</sup> day of September, 2025



---

Commissioner for taking Affidavits, etc.

Antonio Montesano, a Commissioner, etc.,  
Province of Ontario, for BDO Canada LLP  
and BDO Canada Limited, and  
their subsidiaries, associates and affiliates  
Expires December 21, 2026

## SUMMARY OF FEES AND DISBURSEMENTS

Account Period	Invoice Number	Fees	Disbursements	HST	Total
April 11, 2025 - April 30, 2025	CINV3402128	\$ 28,428.75	\$ 41.30	\$ 3,701.11	\$ 32,171.16
May 1, 2025 - May 31, 2025	CINV3467959	\$ 60,890.00	\$ 7,136.56	\$ 8,843.45	\$ 76,870.01
June 1, 2025 - June 30, 2025	CINV3524025	\$ 20,264.00	\$ -	\$ 2,634.32	\$ 22,898.32
July 1, 2025 - July 30, 2025	CINV3565119	\$ 6,205.50	\$ -	\$ 806.72	\$ 7,012.22
August 1, 2025 - August 31, 2025	CINV3601536	\$ 8,307.50	\$ -	\$ 1,079.98	\$ 9,387.48
		<u>\$ 124,095.75</u>	<u>\$ 7,177.86</u>	<u>\$ 17,065.58</u>	<u>\$ 148,339.19</u>

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF PETER NAUMIS

Sworn before me

This 23<sup>rd</sup> day of September, 2025

A handwritten signature in black ink, appearing to read "Antonio Montesano", is written above a horizontal line.

Commissioner for taking Affidavits, etc.

Antonio Montesano, a Commissioner, etc.,  
Province of Ontario, for BDO Canada LLP  
and BDO Canada Limited, and  
their subsidiaries, associates and affiliates  
Expires December 21, 2026



Tel: 416 865 0210  
 Fax: 416 865 0904  
 www.bdo.ca

BDO Canada Limited  
 20 Wellington Street E, Suite 500  
 Toronto ON M5E 1C5 Canada

**Strictly Private & Confidential**

Indeed Laboratories Inc.  
 c/o BDO Canada Limited  
 500-20 Wellington Street  
 Toronto, ON M5E 1C5

Date	Invoice
May 2, 2025	CINV3402128

**RE: Indeed Laboratories Inc. - Proposal**

**OUR FEE FOR PROFESSIONAL SERVICES** rendered for in the above noted matter for the period April 11, 2025 to April 30, 2025 as per the details noted below:

<b>Our Fee</b>	\$ 28,428.75
<b>Disbursements</b>	
Postage	41.30
<b>Subtotal</b>	28,470.05
<b>HST - 13.00% (#R101518124)</b>	3,701.11
<b>TOTAL</b>	<b>\$ 32,171.16</b>

**Summary of Time Charges:**

	Hours	Rate	Amount
M. Marchand, Partner	0.7	650.00	455.00
J. Parisi, Partner	13.3	650.00	8,645.00
P. Naumis, Sr. Manager	24.8	595.00	14,726.25
S. Virani, Sr. Manager	0.5	595.00	297.50
T. Montesano, Sr. Analyst	0.3	250.00	75.00
J. Hue, Sr. Analyst	0.8	250.00	200.00
C. Taylor, Sr. Analyst	14.0	250.00	3,500.00
F. Iannilli, Admin	2.7	200.00	530.00
Total	57.0		\$ 28,428.75

**BANK WIRE TRANSFER/EFT PAYMENTS:** Payment can be made online in Canadian funds. Please ensure you email your online payment confirmations including invoice #, amount paid and payment date) to [EFTPayments@bdo.ca](mailto:EFTPayments@bdo.ca)

**The banking information for BDO Canada Limited is as follows for Canadian Funds**

CIBC Main Branch  
 Commerce Court  
 199 Bay Street  
 Toronto, ON M5L 1G9  
 Account Name: BDO Canada Limited  
 Bank: Canadian Imperial Bank of Commerce  
 Bank Institution #: 010  
 Transit #: 00002  
 Account #: 91-26910  
 Swift Reference #: CIBCCATT



Staff	Date	Comments	Hours
J. Hue	11-Apr-25	Prepare the Ascend file, prepare creditor layout schedule and upload creditor list.	0.8
J. Parisi	14-Apr-25	Review various emails and have discussion with K. Watkinson and Avi.	0.5
P. Naumis	14-Apr-25	Review documents provided. Review draft NOI, amendments. Circulate draft documents to K. Watkinson and Avi. Questions. Review updated financial information as sent over.	1.5
T. Montesano	14-Apr-25	Contact RBC re incoming funds, request and send copy of confirmation to P. Naumis.	0.3
J. Parisi	15-Apr-25	Call with P. Naumis to discuss issues to be addressed in court report (set-offs, recognition, DIP, Admin Charge, etc.). Review CIM and discussion of our SISP. Call with Avi, K. Watkinson, Harvey and Peter to discuss various issues regarding set offs and various other requirements of the order. Various calls with K. Watkinson.	0.9
P. Naumis	15-Apr-25	Call with Josie re: moving forward, proposed SISP, etc. Revised creditor list. Update Form 33. Correspondence with K. Watkinson. Call with Avi, K. Watkinson & Harvey.	1.0
J. Parisi	16-Apr-25	Discussions with K. Watkinson regarding updated creditors listing on creditors listing and other matters.	0.3
P. Naumis	16-Apr-25	Various revisions to NOI sign up document. Correspondence with Avi and K. Watkinson. Updated information re: Shoppers.	0.5
J. Parisi	17-Apr-25	Discussions with P. Naumis regarding preparing the SISP. Call with K. Watkinson. Review language for report and SISP. Review SISP document. Review affidavit of K. Watkinson.	1.7
P. Naumis	17-Apr-25	Correspondence with debtor. Finalize NOI sign up. File with OSB. Update draft letter to creditors. Update F. Iannilli re: preparing mailing. Begin draft SISP.	2.5
F. Iannilli	17-Apr-25	Prepare the mailings to go out, scan and email staff.	1.0
P. Naumis	18-Apr-25	Begin drafting First Report	2.5
M. Marchand	18-Apr-25	Review correspondence and documentation.	0.3
P. Naumis	21-Apr-25	Review comments to draft SISP. Update SISP. Continue draft First Report and circulate first draft for review and comment. Call with Indeed management and counsel re: Stalking Horse Bid, DIP facility, Trustee's First Report. Review DIP Term sheet. Continued updates	5.0



Staff	Date	Comments	Hours
		to draft First Report. Review and comment on cash flows. Review draft Stalking Horse Agreement, comments.	
J. Parisi	21-Apr-25	Review first report and provide comments. Call with Company and counsel to discuss next steps. Review DIP term sheet and provide comments. Call with P. Naumis to discuss report. Review cash flow. Review stalking horse agreement.	2.9
P. Naumis	22-Apr-25	Cash flows, report on cash flows, revisions to First Report. Update with/to counsel. Call with K. Watkinson to review cash flows and other matters pertinent to file. Discuss projections and assumptions. Discuss monitoring regime. Discuss sales process timelines and moving forward. Discuss employee communication. Discuss customer communication.	2.5
J. Parisi	22-Apr-25	Review changes to court report. Review changes to stalking horse bid. Call with H. Chaiton regarding SISP time lines. Call with K. Watkinson to discuss cash flow. Review letter to employees and propose changes.	2.1
J. Parisi	23-Apr-25	Update call with K. Watkinson. Review final documents for filing. Review factum.	0.9
P. Naumis	23-Apr-25	Updated correspondence with debtor and counsel re: cash flows and First report to court. Call with K. Watkinson re: cash flow revisions and answer queries. Finalize report. Arrange appendices. Circulate final report. Instructions to F. Iannilli re: e-file cash flows to OSB.	2.0
F. Iannilli	23-Apr-25	Mail out mailings, update ASCEND and e-file the Cash flow statements, email and call the OSB for confirmation, update the ASCEND Notes., prepare the affidavit of mailing to be signed.	1.5
M. Marchand	23-Apr-25	Review first report.	0.3
P. Naumis	24-Apr-25	Court attendance. Call with Dimitra Davidson.	1.3
J. Parisi	24-Apr-25	Call with Dimitra. Review court orders. Discussion with K. Watkinson regarding operating plan going forward.	0.9
M. Marchand	24-Apr-25	Review email and attachment from J. Parisi re endorsement and order.	0.1
F. Iannilli	25-Apr-25	Printing and scan , save NOI Checklist and email to Peter.	0.2
P. Naumis	25-Apr-25	Call with counsel re: security opinions and initial thoughts. Begin drafting Second Report.	1.5
J. Parisi	25-Apr-25	Call with K. Watkinson W. and review correspondence from P. Naumis regarding validity of security.	0.6
J. Parisi	28-Apr-25	Call with M&A group regarding sales process.	0.3
C. Taylor	28-Apr-25	IRL compilation, discussion, review of initial information, and CIS template compilation	5.0
P. Naumis	28-Apr-25	Correspondence from and to Chaitons. Correspondence with Capstone Legal re: security opinion. Correspondence with K.	1.3



<b>Staff</b>	<b>Date</b>	<b>Comments</b>	<b>Hours</b>
		Watkinson of Indeed. Call with BDO corporate finance group re: CIM and sales process.	
S. Virani	28-Apr-25	IRL review, call with team, SISP review.	0.5
P. Naumis	29-Apr-25	Drafting Second Report of Trustee. Weekly monitoring. Queries to Company. Review amended Sales Process. Correspondence and update with Chaitons.	3.3
J. Parisi	29-Apr-25	Review second report of the proposal trustee and provide comments.	0.4
C. Taylor	29-Apr-25	Buyers list and CIM.	5.0
J. Parisi	30-Apr-25	Call with P. Naumis to discuss finalization of court report. Review Second report and finalize same. Correspondence with Chaitons regarding second report and filing materials.	1.8
C. Taylor	30-Apr-25	Buyers list.	4.0



Tel: 416 865 0210  
 Fax: 416 865 0904  
 www.bdo.ca

BDO Canada Limited  
 20 Wellington Street E, Suite 500  
 Toronto ON M5E 1C5 Canada

**Strictly Private & Confidential**

Indeed Laboratories Inc.  
 c/o BDO Canada Limited  
 500-20 Wellington Street  
 Toronto, ON M5E 1C5

<b>Date</b>	<b>Invoice</b>
June 6, 2025	CINV3467959

**RE: Indeed Laboratories Inc. - Proposal**

**OUR FEE FOR PROFESSIONAL SERVICES** rendered for in the above noted matter for the period May 1, 2025 to May 31, 2025 as per the details noted below:

<b>Our Fee</b>	\$ 60,890.00
<b>Disbursements</b>	
PPSA Searches	48.70
Globe & Mail -Notice Ad	4,745.00
Capstone Legal - fees	2,342.86
<b>Subtotal</b>	<u>68,026.56</u>
<b>HST - 13.00% (#R101518124)</b>	8,843.45
<b>TOTAL</b>	<u><u>\$ 76,870.01</u></u>

**Summary of Time Charges:**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
M. Marchand, Partner	0.4	650.00	260.00
J. Parisi, Partner	4.4	650.00	2,860.00
P. Naumis, Sr. Manager	18.5	595.00	11,007.50
S. Virani, Sr. Manager	20.5	595.00	12,197.50
C. Taylor, Sr. Analyst	45.0	350.00	15,750.00
G. Bishop, Sr. Analyst	61.5	300.00	18,450.00
T. Montesano, Sr. Analyst	1.1	250.00	275.00
F. Iannilli, Admin	0.5	200.00	90.00
<b>Total</b>	<u>151.9</u>		<u>\$ 60,890.00</u>



Staff	Date	Comments	Hours
J. Parisi	1-May-25	Call with K. Watkinson and P. Naumis regarding strategy in general and strategy to approaching Shoppers Drug Mart.	0.6
P. Naumis	1-May-25	Call with Kevin re: go forward, Sales process, Shoppers Drug Mart strategy, etc. Review draft orders and comment.	1.5
T. Montesano	1-May-25	Send request to IT to upload documents to website.	0.2
C. Taylor	1-May-25	Prepare buyers list.	2.0
P. Naumis	2-May-25	Attend motion to approve Sale Process and other relief. Call with Josie re: Shoppers Drug Mart. Call with Josie and various emails re: finalizing Second Report, draft Sales Process, draft Stalking Horse APA.	1.5
C. Taylor	2-May-25	Prepare buyers list.	1.0
S. Virani	2-May-25	Call with Carson. Review buyers list, review Stalking Horse agreement.	2.0
J. Parisi	5-May-25	Call with Shoppers Drug Mart and Indeed. Review draft amendment to Shopper's agreement.	0.8
M. Marchand	5-May-25	Review second report.	0.4
P. Naumis	6-May-25	Status update with Josie.	0.3
C. Taylor	6-May-25	Confidential Information Summary ("CIS") outline.	2.5
P. Naumis	7-May-25	Various email correspondences. Review and comment on draft Non-Disclosure Agreement.	0.8
G. Bishop	7-May-25	Creating company overview and investment highlights on the CIS.	3.0
C. Taylor	7-May-25	Updating Information Request Listing ("IRL").	1.0
C. Taylor	7-May-25	CIS work.	1.0
P. Naumis	8-May-25	Various email correspondences, dataroom information, etc.	0.5
G. Bishop	8-May-25	Created databook (income statement and balance sheet) to create a financial analysis for the CIS.	4.0
C. Taylor	8-May-25	IRL + CIS updates.	3.0
S. Virani	8-May-25	Review information shared.	1.5
P. Naumis	9-May-25	NOI updates. Correspondence with Salman. Additional due diligence materials. Forward to Salman and Carson. Update with Salman re: priority payables, Ancillary Order relief, etc.	1.0
G. Bishop	9-May-25	Made adjustments to databook (income statement and balance sheet) to create a financial analysis for the CIM - data snipping from client pdfs.	3.5
C. Taylor	9-May-25	IRL updates and CIS updates.	4.0
S. Virani	9-May-25	Ad and teaser review. CIS review, email correspondences.	2.5



Staff	Date	Comments	Hours
S. Virani	9-May-25	Review information shared.	1.0
P. Naumis	12-May-25	Teaser and newspaper ad review and comments. Monitoring.	2.0
C. Taylor	12-May-25	Databook update, CIS update, Draft outreach email. Email coordination.	5.5
J. Parisi	12-May-25	Review advertisement and teaser and provide comments.	0.7
G. Bishop	12-May-25	Make adjustment to the Databook and finalize financial analysis for the CIS.	3.0
T. Montesano	12-May-25	Correspond with P. Naumis re posting notice in paper, send copy of notice to S. Macfarlane at post media re cost of notice.	0.4
S. Virani	12-May-25	Final review of deliverables and follow up call with team.	1.0
P. Naumis	13-May-25	Correspondence with Transaction Advisory group and kick off of Sales Process. Call with Kevin re: comments to teaser, etc. Call with T. Montesano re: Newspaper Ad, costs, timing, etc.	1.3
C. Taylor	13-May-25	Document edits and email reach outs.	3.0
G. Bishop	13-May-25	Make adjustments to CIS and help finalize teaser to be sent out to potential buyers.	5.0
S. Virani	13-May-25	Various coordination correspondences.	0.8
P. Naumis	14-May-25	Follow up on newspaper ad quotes. Correspondence with Transaction Advisory re: virtual data room("VDR") and access to interested parties. Review VDR.	1.0
C. Taylor	14-May-25	Buyer Coordination, buyers list updates.	4.5
G. Bishop	14-May-25	Refine buyers list (email potential buyers regarding an acquisition opportunity) and make adjustments to marketing materials to be sent out to potential buyers (such as Teaser and CIS).	5.0
J. Parisi	14-May-25	Review various correspondence from M&A group re NDA's and requests from interested parties. Review correspondence from Loblaw.	0.2
T. Montesano	14-May-25	Review of CRA proof of claim, save same to network.	0.2
S. Virani	14-May-25	VDR setup.	1.0
S. Virani	14-May-25	Review various NDA changes.	0.8
J. Parisi	15-May-25	Calls with K. Watkinson regarding warehouse releases and inventory at warehouses with rent arrears.	0.3
G. Bishop	15-May-25	Finalized CIS as per Dimitra's comments, send teaser and NDA to potential buyers.	2.5



Staff	Date	Comments	Hours
G. Bishop	15-May-25	Email / respond to potential buyers regarding acquisition opportunity and allowing VDR access.	1.5
P. Naumis	15-May-25	Various correspondence with Sales Agent and Indeed management re: CIS, sales process, Virtual Data Room, etc. Review and comment on CIS.	1.0
C. Taylor	15-May-25	VDR, admin, communication with buyers.	3.0
S. Virani	15-May-25	Various email correspondences.	1.3
P. Naumis	20-May-25	Further review and comments to CIS. Query from Sales Agent. Follow up with Indeed management. Update re: newspaper advertisement. Call from interest parties. Call from CRA. Monitoring of Week 4.	2.3
G. Bishop	20-May-25	Made final adjustment to the CIS as per the partner's comments and sent for approval.	2.0
J. Parisi	20-May-25	Review CIS and provide comments.	0.5
C. Taylor	20-May-25	CIS updates and coordination with buyers.	2.0
P. Naumis	21-May-25	Call with transaction Advisory re: draft CIS. Follow up answers to proposal Trustee's queries on monitoring. Call with CRA. Proof Globe & Mail ad. Note corrections and provide Globe & Mail comments.	1.3
J. Parisi	21-May-25	Call with M&A group to finalize CIS.	0.4
C. Taylor	21-May-25	Update Indeed CIS review and deal admin.	1.0
Franca Iannilli	22-May-25	Amend the ad, follow up with approval by staff, email Globe and Mail.	0.5
P. Naumis	22-May-25	Revised Sales Ad review and comment.	0.3
C. Taylor	22-May-25	Review of CIS with client and deal admin.	1.0
S. Virani	22-May-25	Call with Kevin. Call with the team to discuss review comments on the CIS and disclosures in the CIS.	2.0
G. Bishop	22-May-25	Update Databook and CIS and per Kevin's comments.	7.5
P. Naumis	23-May-25	Various email correspondence re: CIS comments and updates, etc. Call with Indeed and counsel re: Shoppers recent communication, position and next steps.	1.0
J. Parisi	23-May-25	Call with Indeed and Chaitons. Prepare email to Shoppers Drug Mart. Review various emails. Call with K. Watkinson.	0.6
C. Taylor	23-May-25	Coordination with buyers, buyers list updates, CIS updates	0.5
S. Virani	23-May-25	Catch up call with team.	0.5
G. Bishop	23-May-25	Update buyers list and start sending out follow ups to buyers.	5.0



Staff	Date	Comments	Hours
P. Naumis	26-May-25	Correspondence with Sales Agent, interested party queries, etc.	0.5
C. Taylor	26-May-25	CIS changes, discussions.	3.5
G. Bishop	26-May-25	Emailed and responded to 108 potential buyer profiles regarding the Court-approved sale of Indeed Labs.	8.0
T. Montesano	26-May-25	Send request to IT to upload document to website.	0.2
P. Naumis	27-May-25	Correspondence from Sales Agent re: marked up NDA received. Review amendment and comments. Add comments and forward to counsel for review.	0.5
G. Bishop	27-May-25	Updated and completed process letter.	2.0
G. Bishop	27-May-25	Responded and added potential buyers to VDR.	1.0
C. Taylor	27-May-25	CIS changes, Meeting with Buyer, Process Letter, deal admin.	3.0
P. Naumis	28-May-25	Updated CIS review and comments. Forward to Sales Agent. Various updates and reviews of revisions to CIS.	1.3
G. Bishop	28-May-25	Make updates on Buyers List and send progress reports to client on where we are at in the process.	2.5
C. Taylor	28-May-25	CIS changes, deal admin, process letter.	2.5
J. Parisi	29-May-25	Review changes to CIS and provide comments.	0.3
P. Naumis	29-May-25	Review draft correspondence to go out to interested parties and comment. Various follow ups from and to Sales Agent. Employment claim review.	0.8
G. Bishop	29-May-25	Updated process letter as per Peter's comments and sent out to interested parties. Updated marketing summary in buyers list.	4.0
C. Taylor	29-May-24	Deal Administration.	1.0
G. Bishop	30-May-25	Responded to clients over email regarding the sale process and submitting bids.	1.0





Tel: 416 865 0210  
Fax: 416 865 0904  
www.bdo.ca

BDO Canada Limited  
20 Wellington Street E, Suite 500  
Toronto ON M5E 1C5 Canada

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**Strictly Private & Confidential**

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Indeed Laboratories Inc.  
c/o BDO Canada Limited  
500-20 Wellington Street  
Toronto, ON M5E 1C5

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<b>Date</b>	<b>Invoice</b>
July 22, 2025	CINV3524025

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**RE: Indeed Laboratories Inc. - Proposal**

**OUR FEE FOR PROFESSIONAL SERVICES** rendered for in the above noted matter for the period June 1, 2025 to June 30, 2025 as per the details noted below:

Our Fee			\$ 20,264.00
HST - 13.00% (#R101518124)			2,634.32
<b>TOTAL</b>			<b><u>\$ 22,898.32</u></b>
<b>Summary of Time Charges:</b>			
	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
J. Parisi, Partner	3.4	650.00	2,210.00
P. Naumis, Sr. Manager	13.5	595.00	8,002.75
S. Virani, Sr. Manager	4.8	595.00	2,826.25
C. Taylor, Sr. Analyst	7.5	350.00	2,625.00
G. Bishop, Sr. Analyst	15.0	300.00	4,500.00
T. Montesano, Sr. Analyst	0.4	250.00	100.00
<b>Total</b>	<b><u>44.5</u></b>		<b><u>\$ 20,264.00</u></b>



Staff	Date	Comments	Hours
P. Naumis	2-Jun-25	Updated comments to NDA from Chaitons. Update from Sales Agent re: interest.	0.3
C. Taylor	2-Jun-25	Deal admin.	0.5
G. Bishop	2-Jun-25	Sent out 3rd round of emails to potential buyers.	2.0
G. Bishop	2-Jun-25	Updated buyers list and sent to Partners.	1.0
P. Naumis	3-Jun-25	Update on Shoppers negotiations. Review correspondence from former employee. Draft response.	0.5
J. Parisi	4-Jun-25	Call with K. Watkinson and send emails to Shoppers Drug Mart.	0.4
S. Virani	4-Jun-25	Check in call with team and correspondence with IBG.	0.5
S. Virani	4-Jun-25	Review updated Buyers list.	0.5
C. Taylor	4-Jun-25	Buyer follow up, buyers list updates.	1.5
J. Parisi	5-Jun-25	Call with K Watkinson to discuss resignations.	0.1
S. Virani	5-Jun-25	Various email correspondences.	0.5
P. Naumis	6-Jun-25	Monitoring matters.	0.3
G. Bishop	6-Jun-25	Compile responses received from active participants to show to Client.	1.5
J. Parisi	6-Jun-25	Correspondence with K. Watkinson regarding employee issue and review proposed email to employee and provide comments.	0.1
P. Naumis	9-Jun-25	Call with Avi and Kevin, update re: status of sales process, number of remaining parties performing due diligence, party comments, next steps.	0.5
C. Taylor	9-Jun-25	Updating buyers list, discussion with client	1.5
G. Bishop	9-Jun-25	Send out reminder regarding bid deadline to active parties, update buyers list, and prepare materials for client call.	3.5
S. Virani	9-Jun-25	Call with Kevin and Avi to provide an update.	0.5
S. Virani	9-Jun-25	Internal team call and review updated comments on buyers list.	1.0
J. Parisi	10-Jun-25	Correspondence with SDM. Correspondence with K. Watkinson.	0.2
G. Bishop	10-Jun-25	Send out final reminder regarding bid deadline to active parties	1.0
P. Naumis	11-Jun-25	Update call with Indeed and Sales Agent.	0.3
G. Bishop	11-Jun-25	Update buyers list and prepare materials for client call.	1.0
S. Virani	11-Jun-25	Update call with Kevin, Avi.	0.5
P. Naumis	12-Jun-25	Correspondence from interested party. Communicate with Sales Officer and management.	0.3



Staff	Date	Comments	Hours
G. Bishop	12-Jun-25	Sent out last reminder to interested parties regarding bid deadline, updated buyers list, and communicated progress to partners and client.	1.5
C. Taylor	12-Jun-25	Buyer follow up.	2.0
P. Naumis	13-Jun-25	Update re: sales process and extension of bid deadline. Review correspondence. Comment. Week 8 monitoring.	1.3
G. Bishop	13-Jun-25	Update buyers list and email active parties regarding bid extension.	1.0
C. Taylor	13-Jun-25	Buyer follow ups.	1.0
S. Virani	13-Jun-25	Various email correspondences.	0.5
S. Virani	13-Jun-25	Follow up calls to see if buyers are interested in an extension.	0.8
G. Bishop	16-Jun-25	Update buyers list and communicate with client on progress.	0.5
C. Taylor	16-Jun-25	Call with IBG.	0.5
P. Naumis	18-Jun-25	Bid deadline. Follow up with Sales Agent on interest and feedback. Weekly monitoring.	1.3
C. Taylor	18-Jun-25	Buyers list update.	0.5
G. Bishop	18-Jun-25	Update buyers list, create activity report for data room, communicate with team on progress	1.0
P. Naumis	19-Jun-25	Discussions with Josie re: next steps. Review Sales Process for ability to revert back to Proposal and not fulfill sale since no interested parties.	0.4
J. Parisi	19-Jun-25	Update call with P. Naumis.	0.3
G. Bishop	19-Jun-25	Reply back to clients regarding closure (for those who responded late).	1.0
P. Naumis	20-Jun-25	Update call with Indeed re: next steps. Follow up call with Josie re: court report, timing, next steps.	1.0
J. Parisi	20-Jun-25	Update call with Kevin, Avi, Peter and Laura. Debrief call P. Naumis.	0.5
J. Parisi	23-Jun-25	Update call with K. Watkinson.	0.2
P. Naumis	23-Jun-25	Begin drafting Trustee's Third Report	1.3
P. Naumis	24-Jun-25	Call with Avi, Kevin, J. Parisi and Chaitons. Discuss next steps, relief at upcoming motion and Trustee's third report. Continue drafting third report. Weekly monitoring.	4.0
J. Parisi	24-Jun-25	Call with Kevin, Avi, Harvey, Laura and P. Naumis to discuss court hearing this week and next steps. Review draft court report and provide edits.	1.3
P. Naumis	25-Jun-25	Report comments. Review, forward to counsel and debtor.	0.3



<b>Staff</b>	<b>Date</b>	<b>Comments</b>	<b>Hours</b>
P. Naumis	26-Jun-25	Report finalization. Arrange appendices. Receive, review and comment on Amended Cash Flows.	1.0
T. Montesano	26-Jun-25	Send request to IT to upload documents to website.	0.2
P. Naumis	27-Jun-25	Court attendance for stay extension. Update cash flow projection extensions.	1.0
T. Montesano	27-Jun-25	Send request to IT to upload documents.	0.2
J. Parisi	27-Jun-25	Review court order and endorsement.	0.3



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www.bdo.ca

BDO Canada Limited  
20 Wellington Street E, Suite 500  
Toronto ON M5E 1C5 Canada

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Indeed Laboratories Inc.  
c/o BDO Canada Limited  
500-20 Wellington Street  
Toronto, ON M5E 1C5

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Date	Invoice
August 18, 2025	CINV3565119

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**RE: Indeed Laboratories Inc. - Proposal**

**OUR FEE FOR PROFESSIONAL SERVICES** rendered for in the above noted matter for the period July 1, 2025 to July 31, 2025 as per the details noted below:

<b>Our Fee</b>	\$ 6,205.50
<b>HST - 13.00% (#R101518124)</b>	806.72
<b>TOTAL</b>	<u><u>\$ 7,012.22</u></u>

**Summary of Time Charges:**

	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
J. Parisi, Partner	2.0	650.00	1,300.00
M. Marchand, Partner	0.1	650.00	65.00
P. Naumis, Sr. Manager	6.9	595.00	4,105.50
L. Dobush, Sr. Analyst	2.1	350.00	735.00
Total	<u>11.1</u>		<u><u>\$ 6,205.50</u></u>



Staff	Date	Comments	Hours
J. Parisi	2-Jul-25	Correspondence with SDM and Avi.	0.3
P. Naumis	8-Jul-25	Monitoring. Update from Kevin.	1.0
P. Naumis	15-Jul-25	Monitoring for two weekly periods.	1.3
P. Naumis	17-Jul-25	Creditor query and response.	0.3
P. Naumis	22-Jul-25	Outstanding monitoring with L. Dobush. Review status of cash flow. Instructions to L. Dobush.	1.0
L. Dobush	22-Jul-25	Update and complete weekly cashflow monitoring.	0.9
J. Parisi	27-Jul-25	Prepare letter for SV Labs.	0.4
J. Parisi	28-Jul-25	Update call with P. Naumis. Send letter to SV Labs, update call with group. Send email to Shoppers Drug Mart regarding meeting.	0.6
P. Naumis	28-Jul-25	Update call with Avi and Kevin re: Shoppers email. Begin Trustee court report for further 45-day extension.	0.8
P. Naumis	29-Jul-25	Correspondence and update from Kunle re: cash flow monitoring and bank statements. Instructions to L. Dobush re: monitoring. Continue draft Fourth Report.	1.0
P. Naumis	30-Jul-25	Call with SDM. Call from Capstone Legal re: opinion and payment. Update from accounting re: funds. Review and comment of brief email to Shoppers Drug Mart.	1.0
J. Parisi	30-Jul-25	Call with Shoppers Drug Mart. Call with Hollywood to understand how the vender number got transferred. Debrief call with K. Watkinson.	0.7
M. Marchand	30-Jul-25	Sign cheque.	0.1
L. Dobush	30-Jul-25	Cash flow monitoring.	0.9
L. Dobush	31-Jul-25	Cash flow monitoring.	0.3
P. Naumis	31-Jul-25	Continue and update draft Fourth Report.	0.5



Tel: 416 865 0210  
Fax: 416 865 0904  
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BDO Canada Limited  
20 Wellington Street E, Suite 500  
Toronto ON M5E 1C5 Canada

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Indeed Laboratories Inc.  
c/o BDO Canada Limited  
500-20 Wellington Street  
Toronto, ON M5E 1C5

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<b>Date</b>	<b>Invoice</b>
September 3, 2025	CINV3601536

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**RE: Indeed Laboratories Inc. - Proposal**

**OUR FEE FOR PROFESSIONAL SERVICES** rendered for in the above noted matter for the period August 1, 2025 to August 31, 2025 as per the details noted below:

<b>Our Fee</b>	\$ 8,307.50
<b>HST - 13.00% (#R101518124)</b>	1,079.98
<b>TOTAL</b>	<b>\$ 9,387.48</b>

**Summary of Time Charges:**

	<b>Hours</b>	<b>Rate</b>	<b>Amount</b>
J. Parisi, Partner	1.5	650.00	975.00
D. Lewis, Partner	0.6	650.00	390.00
P. Naumis, Sr. Manager	8.5	595.00	5,057.50
L. Dobush, Sr. Analyst	5.0	350.00	1,750.00
J. Hue, Sr. Analyst	0.3	250.00	75.00
G. Arenas, Admin	0.3	200.00	60.00
<b>Total</b>	<b>16.2</b>		<b>\$ 8,307.50</b>



<b>Staff</b>	<b>Date</b>	<b>Comments</b>	<b>Hours</b>
J. Parisi	6-Aug-25	Review 4th report of the proposal trustee.	0.7
D. Lewis	6-Aug-25	Review 4th report.	0.6
P. Naumis	11-Aug-25	Update call with Chaitons and Indeed re: extension motion and Shoppers vendor number assignment. Follow up with Josie.	0.5
J. Parisi	11-Aug-25	Update to court report. Call with Harvey, Avi and Kevin.	0.7
P. Naumis	12-Aug-25	Monitoring follow up.	0.3
L. Dobush	12-Aug-25	Cash flow monitoring.	0.4
P. Naumis	13-Aug-25	Update and correspondence with Luke re: weekly monitoring.	0.3
L. Dobush	13-Aug-25	Cash flow monitoring.	1.9
P. Naumis	15-Aug-25	Review admin ahead of motion for extension. Attend court motion.	1.0
J. Hue	15-Aug-25	Request to update case website and email P. Naumis same.	0.3
J. Parisi	15-Aug-25	Review order and endorsement of Justice Black.	0.1
P. Naumis	18-Aug-25	Review prior week's monitoring review and comments. Queries to Indeed.	1.0
P. Naumis	19-Aug-25	Correspondence from and to Kunle re: cash flow monitoring queries.	0.3
L. Dobush	19-Aug-25	Cash flow monitoring	1.4
G. Arenas	20-Aug-25	Processed cheque requisition.	0.3
P. Naumis	25-Aug-25	Updated cash flow monitoring and communications with Indeed and Luke. Begin drafting Proposal Trustee's Fifth Report.	2.3
P. Naumis	26-Aug-25	Update from debtor to monitoring queries. Note file.	0.3
L. Dobush	26-Aug-25	Cashflow monitoring and reporting.	1.3
P. Naumis	27-Aug-25	Update on last week monitoring from Luke. Review. Review HST filings, correspondence to Indeed re: April and May filings and upcoming July filing.	0.5
P. Naumis	28-Aug-25	Continue drafting Fifth Report for sale approval, taxation, etc. Update and information from Kunle re: HST and monitoring queries.	2.3

# APPENDIX XIV

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC.,  
IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

**AFFIDAVIT OF HUGH McHENRY**  
(sworn September 23, 2025)

**I, HUGH McHENRY**, of the City of Toronto, in the Province of Ontario **MAKE OATH  
AND SAY AS FOLLOWS:**

1. I am a lawyer with the law firm of Chaitons LLP (“**Chaitons**”), lawyers for Indeed Laboratories Inc. (the “**Company**”), and as such have knowledge of the matters to which I hereinafter depose.
2. Attached hereto and collectively marked as **Exhibit “A”** are copies of the accounts issued by Chaitons to the Company with respect to advice provided to the Company and also to BDO Canada Limited, in its capacity as Proposal Trustee of the Company, for the period commencing April 4, 2025 and ending August 15, 2025, totalling \$60,052.64 (comprised of fees of \$52,900 disbursements of \$263.60 and HST of \$6,889.04) with respect to this proceeding. All of the accounts rendered have been paid by the Company.
3. We estimate that the fees from September 1, 2025 to the completion of the administration of the proposal proceedings will be \$10,000 plus disbursements and HST.

4. Attached hereto as **Exhibit "B"** is a summary of additional information with respect to the accounts referred to in paragraph 2 above, indicating all members of Chaitons who have worked on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

5. I confirm that the accounts described in paragraph 2 above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from April 4, 2025 to August 15, 2025.

SWORN BEFORE ME at the City of  
Toronto, in the Province of Ontario, this  
23<sup>rd</sup> day of September, 2025



Commissioner for Taking Affidavits  
*(or as may be)*



Hugh McHenry

**Antoinette DePinto, a Commissioner, etc.,  
Province of Ontario, for Chaitons LLP,  
Barristers and Solicitors.  
Expires November 23, 2026.**

THIS IS EXHIBIT "A" TO  
THE AFFIDAVIT OF HUGH McHENRY  
SWORN BEFORE ME THIS 23<sup>RD</sup>  
DAY OF SEPTEMBER, 2025

A handwritten signature in black ink, appearing to read "A. DeRoh", written over a horizontal line.

A Commissioner Etc.

# Chaitons<sup>LLP</sup>

INSTORE GROUP OF COMPANIES  
5181 EVEREST DRIVE  
MISSISSAUGA, ON L4W 2R2

Invoice Date: April 30, 2025  
Invoice Number: 402498  
Our File: 008381-0086250

Re: **INDEED LABORATORIES INC.**

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including April 30, 2025

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	35,075.00	
SUB-TOTAL		\$35,075.00
<b>DISBURSEMENTS</b>		
SUBJECT TO HST	92.60	
Costs (Non-Taxable)	71.00	
SUB-TOTAL		\$163.60
Net Total		\$35,238.60
HST at 13.00%		\$4,571.79
<b>GRAND TOTAL</b>		<b>\$39,810.39</b>
Less Paid on Account		(\$28,250.00)
<b>AMOUNT PAYABLE</b>		<b>\$11,560.39</b>

Amount payable on the current invoice	\$11,560.39
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b>\$11,560.39</b>
Trust Balance	\$0.00

**Please Remit to:**

**Mail To:**  
Chaitons LLP  
5000 Yonge St,  
10th Floor,  
Toronto, ON, M2N 7E9  
Canada

**Wire Instructions:**

Bank of Montreal  
4841 Yonge Street  
Toronto, Ontario M2N 5X2  
Bank#: 001 Transit#: 24892 CC:  
000124892  
Swift Code (international): BOFMCAM2  
Account#: 24891029697  
**(Please Reference Invoice Number)**

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: April 30, 2025  
Invoice Number: 402498  
Matter Number: 0086250

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## PROFESSIONAL FEES

Date	Description
04/04/2025	Telephone conference call with A. Greenspoon and K. Watkinson re next steps;
04/08/2025	Telephone call with J. Parisi; email with A. Greenspoon;
04/10/2025	Telephone conference call with K. Wilkinson and A. Greenspoon; telephone conference call with K. Wilkinson, A. Greenspoon, J. Parisi and P. Naumis with respect to NOI filing;
04/11/2025	Email from and telephone call with A. Greenspoon re security; preliminary legal research; various emails;
04/15/2025	Telephone call with H Chaiton; Reviewing assignment of debt and security documents; Drafting affidavit of M Davidson E-mail correspondence to A De Pinto regarding court hearing date.
04/15/2025	Telephone call with L. Culleton; telephone conference call with K. Wilkinson, A. Greenspoon and BDO re NOI and setoff;
04/16/2025	Various emails;
04/16/2025	Drafting affidavit of M Davidson; E-mail correspondence from J Parisi; Receipt and review of e-mail correspondence regarding financial difficulties; Reviewing Shoppers Drug Mart supply agreement and amendments; Reviewing letters and e-mail correspondence with target regarding chargebacks; Receipt and review of e-mail correspondence between H Chaiton and Commercial List office.
04/17/2025	Review draft affidavit; telephone conference calls and emails with K. Wilkinson and A. Greenspoon; telephone conference call with L. Culleton to discuss affidavit; arrange court date; telephone call with M. Pasternack; various emails;
04/17/2025	Telephone call with H Chaiton; Receipt and review of resolution regarding chief restructuring officer, notice to creditors, NOI certificate and CIBC loan; Drafting affidavit of K Watkinson; Telephone call with H Chaiton; E-mail correspondence to A Greenspoon, K Watkinson, J Parisi and P Naumis with draft affidavit; Receipt and review of comments from A Greenspoon regarding same; Receipt, review and responding to e-mail correspondence from J Parisi regarding call on Monday; Drafting interim financing term sheet.
04/17/2025	Internal discussion re terms of Stalking Horse Purchase Agreement; prepare initial draft of Stalking Horse Asset Purchase Agreement.
04/18/2025	Review draft SISP and DIP Term Sheet; various emails;
04/18/2025	Receipt and review of e-mail correspondence from K Watkinson; Receipt and review of e-mail correspondence from H Chaiton regarding lease agreements; Reviewing lease agreements; Receipt and review of e-mail correspondence from H Chaiton regarding investment process.
04/21/2025	Discussion with L. Culleton; preparing draft order;
04/21/2025	Telephone conference call with BDO, K. Wilkinson and A. Greenspoon; review Stalking Horse APS; telephone call with M. Pasternack; review draft Trustee report; meeting with L. Culleton; various emails;
04/21/2025	Revising DIP term sheet; E-mail correspondence to A Greenspoon, K Watkinson, J Parisi and P Naumis with draft term sheet; Receipt and review of the sale and investment solicitation process; Revising affidavit to include the terms of the SISP and the term sheet; Drafting notice of motion; Drafting factum; Reviewing stalking horse

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

DOC#12368851v2

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: April 30, 2025  
Invoice Number: 402498  
Matter Number: 0086250

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Date	Description
	purchase agreement; E-mail correspondence to A Greenspoon, K Watkinson, J Parisi and P Naumis regarding same; Meeting with H Chaiton to discuss and review the sale process and draft report; E-mail correspondence to J Parisi and P Naumis with revised sale process and first report; Correspondence with D Im regarding draft order.
04/21/2025	Complete draft of Stalking Horse Purchase Agreement; review, revise and circulate internally for comment.
04/21/2025	Internal meeting re purchase agreement; revise agreement and circulate internally for comment.
04/22/2025	Preparing the draft order;
04/22/2025	Review revised motion materials; telephone call with L. Culleton; various emails and telephone calls;
04/22/2025	E-mail correspondence to J Parisi and P Naumis regarding service list; Revising notice of motion to remove section on the sale process; Revising factum; Reviewing and revising draft order; Telephone call with H Chaiton regarding same; Preparing execution copy of DIP term sheet; Receipt and review of draft cashflow forecast; E-mail correspondence with J Parisi and P Naumis regarding final version of cashflow forecast; Receipt and review of e-mail correspondence from H Chaiton regarding sale process and service list; Receipt and review and responding to e-mail correspondence from Commercial List office regarding hearing date change; Receipt and review of e-mail correspondence from K Watkinson regarding notices; E-mail correspondence to A Greenspoon with service list; Receipt and review of revised service list; Receipt and review of e-mail correspondence from P Naumis regarding security opinion.
04/23/2025	Various emails and telephone calls;
04/23/2025	E-mail correspondence with D Nunes regarding security documents and corporate and PPSA searches; Receipt and review of e-mail correspondence from J Parisi regarding cashflow forecast; E-mail correspondence with latest version of affidavit to A Greenspoon and K Watkinson; Revising affidavit; Revising notice of motion and factum; Meeting with K Watkinson to administer oath and commission affidavit; Reviewing final pdf version of motion record and providing comments on same; Reviewing and revising footnotes in factum; Telephone call with A Greenspoon; E-mail correspondence with P Naumis and J Parisi regarding time of hearing and zoom details; Adding parties to caselines; Uploading materials to caselines; Drafting participant information form; E-mail correspondence to D Nunes with loan and security documents.
04/24/2025	Revising submissions for hearing before Justice Dietrich; Revising draft order to include affidavit of service; Serving revised draft Initial Order on Service List; Uploading participant information form and revised draft order to caselines; Telephone call with H Chaiton; Preparing for, appearing for and attending at hearing before Justice Dietrich; Revising draft Initial Order following hearing; E-mail correspondence with H Chaiton regarding same; E-mail correspondence to registrar with revised draft order and redline.
04/24/2025	Prepare for and attend on motion to approve DIP financing; various telephone calls and emails;
04/25/2025	Drafting second report of the proposal trustee on stalking horse agreement and stalking horse sale process; Revising sale process; E-mail correspondence to H Chaiton regarding same; E-mail correspondence with D Nunes and A Greenspoon regarding

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

DOC#12368851v2

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: April 30, 2025  
Invoice Number: 402498  
Matter Number: 0086250

Date	Description
	security documents; E-mail correspondence with A Casella regarding corporate search for Maycal; E-mail correspondence to D Nunes with corporate search.
04/28/2025	E-mail correspondence to A Greenspoon; Telephone calls with A Greenspoon; Reviewing assignment agreement; E-mail correspondence to D Nunes with assignment agreement; E-mail correspondence with P Naumis regarding stalking horse agreement, sale process procedures and second report; Receipt and review of e-mail correspondence between J Parisi and H Chaiton regarding KERP; E-mail correspondence to H Chaiton regarding sale process, second report and stalking horse agreement; Uploading motion materials to caselines.
04/30/2025	Telephone calls with H Chaiton regarding sale process and draft second report; Revising stalking horse sale agreement, sale process and second report; Receipt and review of revised second report from J Parisi and A Greenspoon; Revising report; Receipt and review of e-mail correspondence from H Chaiton regarding second report revisions; Revising second report; Revising sale process to include dates and deadlines from Second Report; Drafting notice of motion; Revising notice of motion; E-mail correspondence with H Chaiton regarding notice of motion; Preparing motion record for sale process for service; E-mail correspondence to service list with motion record; e-mail correspondence to L Christodoulou and A Casella regarding affidavit of service; Uploading motion record to caselines.
04/30/2025	Review revised second report and sale process including A. Greenspoon's comments thereon; telephone call with L. Culleton; various emails; To all matters of a general nature not more particularly referred to herein;

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
David Im	350.00	1.30	455.00
Harvey G. Chaiton	950.00	12.30	11,685.00
Laura Culleton	425.00	44.30	18,827.50
Michael Pasternack	775.00	5.30	4,107.50
<b>Total</b>		<b>63.20</b>	<b>\$35,075.00</b>
HST at 13.00%			\$4,559.75

**DISBURSEMENTS:**

**Subject To HST**

Description	Amount
Internet Search Fee Taxable - S84	92.60
<b>Total</b>	<b>\$92.60</b>

**Non-Taxable**

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: April 30, 2025  
Invoice Number: 402498  
Matter Number: 0086250

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Description	Amount
File Motion Record(s) Non-taxable - S57	50.00
Government Disbursement Internet Search Non-tax. - S90	21.00
<b>Total</b>	<b>\$71.00</b>

<b>TOTAL DISBURSEMENTS</b>	<b>\$163.60</b>
HST at 13.00%	\$12.04

<b>GRAND TOTAL</b>	<b>\$39,810.39</b>
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Less Paid on Account	(\$28,250.00)
<b>AMOUNT PAYABLE</b>	<b>\$11,560.39</b>

CHAITONS LLP



per: \_\_\_\_\_  
Harvey Chaiton

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

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DOC#12368851v2

**SEPARATOR PAGE**

# Chaitons<sup>LLP</sup>

INSTORE GROUP OF COMPANIES  
5181 EVEREST DRIVE  
MISSISSAUGA, ON L4W 2R2

Invoice Date: May 31, 2025  
Invoice Number: 403500  
Our File: 008381-0086250

Re: **INDEED LABORATORIES INC.**

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FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including May 31, 2025

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	7,895.00	
SUB-TOTAL		\$7,895.00
Net Total		\$7,895.00
HST at 13.00%		\$1,026.35
<b>GRAND TOTAL</b>		<b>\$8,921.35</b>

Amount payable on the current invoice	\$8,921.35
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b>\$8,921.35</b>
<b>Trust Balance</b>	<b>\$0.00</b>

**Please Remit to:**

**Mail To:**  
Chaitons LLP  
5000 Yonge St,  
10th Floor,  
Toronto, ON, M2N 7E9  
Canada

**Wire Instructions:**

Bank of Montreal  
4841 Yonge Street  
Toronto, Ontario M2N 5X2  
Bank#: 001 Transit#: 24892 CC:  
000124892  
Swift Code (international): BOFMCAM2  
Account# 24891029697  
**(Please Reference Invoice Number)**

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: May 31, 2025  
Invoice Number: 403500  
Matter Number: 0086250

---

**PROFESSIONAL FEES**

<b>Date</b>	<b>Description</b>
05/01/2025	Drafting and revising previous factum to amend relief sought at add additional relief including approval of the sale process and the stalking horse agreement; Serving factum on service list; Drafting affidavit of service; Drafting ancillary order; Drafting sale process order; Uploading factum and affidavit of service to caselines; Telephone call with H Chaiton regarding draft ancillary order and draft sale process order; Revising orders; E-mail correspondence to J Parisi, P Naumis, A Greenspoon and Kevin Watkinson regarding draft orders; Serving draft orders on service list; Receipt and review of e-mail correspondence from H Chaiton; Preparing submissions for hearing.
05/01/2025	Review draft factum and draft orders and provide comments thereon to L. Culleton;
05/02/2025	Preparing for, appearing for and attending at case conference before Justice Steele; E-mail correspondence to Justice Steele with draft orders; E-mail correspondence to A Greenspoon regarding hearing.
05/02/2025	Attend on motion to approve stalking horse sale agreement and ancillary relief;
05/15/2025	E-mail correspondence with P Naumis regarding signed stalking horse APA.
05/20/2025	Receipt of voicemail from S Block regarding stalking horse agreement and sale process; E-mail correspondence to H Chaiton, J Parisi and P Naumis regarding same; Receipt and review of e-mail correspondence from P Naumis regarding Globe and Mail posting.
05/20/2025	Various emails;
05/23/2025	Telephone conference call with K. Watkinson, A. Greenspoon and BDO re Shoppers; various emails with respect to access;
05/27/2025	Receipt, review and revising non-disclosure agreement.
05/29/2025	Receipt and review of e-mail correspondence from P Naumis regarding non-disclosure agreement; E-mail correspondence to H Chaiton regarding revised non-disclosure agreement; Receipt and review of e-mail correspondence between J Parisi, M Legacy and K Watkinson.
05/29/2025	Various emails re Shoppers; To all matters of a general nature not more particularly referred to herein;

**LAWYERS' SUMMARY:**

<b>Lawyers and legal assistants involved</b>	<b>Hourly Rate</b>	<b>Hours Billed</b>	<b>Total Billed</b>
Harvey G. Chaiton	950.00	3.30	3,135.00
Laura Culleton	425.00	11.20	4,760.00
<b>Total</b>		<b>14.50</b>	<b>\$7,895.00</b>
HST at 13.00%			\$1,026.35

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P :416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.


Invoice Date: May 31, 2025  
Invoice Number: 403500  
Matter Number: 0086250

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GRAND TOTAL

\$8,921.35

CHAITONS LLP



per: \_\_\_\_\_  
Harvey Chaiton

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P :416-222-8888

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**SEPARATOR PAGE**

# Chaitons<sup>LLP</sup>

INSTORE GROUP OF COMPANIES  
5181 EVEREST DRIVE  
MISSISSAUGA, ON L4W 2R2

Invoice Date: June 30, 2025  
Invoice Number: 406314  
Our File: 008381-0086250

Re: INDEED LABORATORIES INC.

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including June 30, 2025

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	7,840.00	
SUB-TOTAL		\$7,840.00
Net Total		\$7,840.00
HST at 13.00%		\$1,019.20
<b>GRAND TOTAL</b>		<b>\$8,859.20</b>

Amount payable on the current invoice	\$8,859.20
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b>\$8,859.20</b>
<b>Trust Balance</b>	<b>\$0.00</b>

**Please Remit to:**

**Mail To:**  
Chaitons LLP  
5000 Yonge St,  
10th Floor,  
Toronto, ON, M2N 7E9  
Canada

**Wire Instructions:**

Bank of Montreal  
4841 Yonge Street  
Toronto, Ontario M2N 5X2  
Bank#: 001 Transit#: 24892 CC:  
000124892  
Swift Code (international): BOFMCAM2  
Account# 24891029697  
**(Please Reference Invoice Number)**

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P :416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: June 30, 2025  
Invoice Number: 406314  
Matter Number: 0086250

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**PROFESSIONAL FEES**

<b>Date</b>	<b>Description</b>
06/02/2025	E-mail correspondence to P Naumis regarding revisions to non-disclosure agreement; Meeting with H Chaiton to review, discuss and revise non-disclosure agreement; E-mail correspondence to P Naumis with revised version.
06/02/2025	Telephone call with L. Culleton re NDA;
06/03/2025	Telephone call with A. Greenspoon and various emails;
06/10/2025	Various emails;
06/19/2025	Various emails re sale process and next steps;
06/19/2025	Receipt and review of e-mail correspondence from J Parisi regarding status of sale process.
06/20/2025	Meeting with J Parisi, P Naumis, A Greenspoon and K Watkinson regarding sale approval and extension motion; Receipt and review of e-mail correspondence from Commercial List office regarding hearing date; E-mail correspondence to J Parisi, P Naumis, A Greenspoon and K Watkinson regarding hearing date and time.
06/22/2025	Drafting notice of motion for extension of stay period; Drafting ancillary order for extension of stay; Drafting cover page and index for motion record; E-mail correspondence with teams meeting invitation.
06/23/2025	Researching treatment of contingent claims in proposal proceedings.
06/24/2025	Meeting with H Chaiton, J Parisi, P Naumis, A Greenspoon and K Watkinson to discuss proposal proceedings and next hearing; Drafting factum for approval of the third report and extension of time to file a proposal.
06/24/2025	Telephone conference call with client and BDO with respect to stay extension motion and whether to file proposal instead of seeking approval of stalking horse APS;
06/25/2025	Receipt and review of draft third report; Reviewing revisions from A Greenspoon; Revising draft third report. E-mail correspondence with H Chaiton regarding test for extension of stay and stalking horse approval.
06/26/2025	E-mail correspondence to P Naumis, J Parisi, A Greenspoon and K Watkinson regarding revised cashflow forecast; Receipt and review of signed report from P Naumis; Revising notice of motion; Reviewing and revising motion record; Revising factum; Researching additional cases where stay was granted to allow a stalking horse agreement to be approved and close; Revising factum; Commissioning affidavits of service.
06/27/2025	Revising draft order to include reference to affidavit of service; Uploading revised draft order to caselines; Preparing for, appearing for and attending at hearing before Justice Black; Receipt and review of signed order and endorsement from Justice Black; E-mail correspondence to A Greenspoon, K Watkinson, J Parisi and P Naumis with signed order.

To all matters of a general nature not more particularly referred to herein;

**LAWYERS' SUMMARY:**

<b>Lawyers and legal assistants involved</b>	<b>Hourly Rate</b>	<b>Hours Billed</b>	<b>Total Billed</b>
Harvey G. Chaiton	950.00	1.90	1,805.00

HST No R124110933

E. & O.B. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

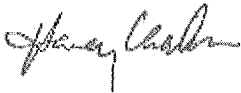
Invoice Date: June 30, 2025  
Invoice Number: 406314  
Matter Number: 0086250

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Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
Laura Culleton	425.00	14.20	6,035.00
<b>Total</b>		<b>16.10</b>	<b>\$7,840.00</b>
HST at 13.00%			\$1,019.20

**GRAND TOTAL** \$8,859.20

CHAITONS LLP



per: \_\_\_\_\_  
Harvey Chaiton

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P :416-222-8888

[chaitons.com](http://chaitons.com)

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**SEPARATOR PAGE**

# Chaitons<sup>LLP</sup>

INSTORE GROUP OF COMPANIES  
5181 EVEREST DRIVE  
MISSISSAUGA, ON L4W 2R2

Invoice Date: September 22, 2025  
Invoice Number: 408058  
Our File: 008381-0086250

Re: **INDEED LABORATORIES INC.**

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including August 31, 2025

<b>PROFESSIONAL FEES</b>		
SUBJECT TO HST	2,090.00	
SUB-TOTAL		\$2,090.00
<b>DISBURSEMENTS</b>		
Costs (Non-Taxable)	100.00	
SUB-TOTAL		\$100.00
Net Total		\$2,190.00
HST at 13.00%		\$271.70
<b>GRAND TOTAL</b>		<b>\$2,461.70</b>

Amount payable on the current invoice	\$2,461.70
Plus outstanding invoices on this matter	\$0.00
<b>Amount Due</b>	<b>\$2,461.70</b>
<b>Trust Balance</b>	<b>\$0.00</b>

**Please Remit to:**

**Mail To:**  
Chaitons LLP  
5000 Yonge St,  
10th Floor,  
Toronto, ON, M2N 7E9  
Canada

**Wire Instructions:**

Bank of Montreal  
4841 Yonge Street  
Toronto, Ontario M2N 5X2  
Bank#: 001 Transit#: 24892 CC:  
000124892  
Swift Code (international): BOFMCAM2  
Account#: 24891029697  
**(Please Reference Invoice Number)**

HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P :416-222-8888

chaitons.com

Client: INSTORE GROUP OF COMPANIES  
Matter: INDEED LABORATORIES INC.

Invoice Date: September 22, 2025  
Invoice Number: 408058  
Matter Number: 0086250

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**PROFESSIONAL FEES**

Date	Description
08/11/2025	Telephone conference call with SDM vendors and next steps; review draft report; draft notice of motion and order;
08/15/2025	Prepare for and attend stay extension motion; To all matters of a general nature not more particularly referred to herein;

**LAWYERS' SUMMARY:**

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
Harvey G. Chaiton	950.00	2.20	2,090.00
<b>Total</b>		<b>2.20</b>	<b>\$2,090.00</b>
HST at 13.00%			\$271.70

**Non-Taxable**

Description	Amount
File Motion Record(s) Non-taxable - S57	100.00
<b>Total</b>	<b>\$100.00</b>

**TOTAL DISBURSEMENTS** **\$100.00**

**GRAND TOTAL** **\$2,461.70**

**CHAITONS LLP**



per: \_\_\_\_\_  
Harvey Chaiton

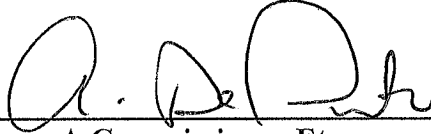
HST No R124110933

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 5% per annum commencing one month after delivery of this account.

5000 Yonge Street, 10th Floor, Toronto, ON M2N 7E9 | P : 416-222-8888

chaitons.com

**THIS IS EXHIBIT "B" TO  
THE AFFIDAVIT OF HUGH McHENRY  
SWORN BEFORE ME THIS 23<sup>RD</sup>  
DAY OF SEPTEMBER, 2025**

A handwritten signature in black ink, appearing to read "A. DePinto", written over a horizontal line.

**A Commissioner Etc.**

**SUMMARY**

<b>Lawyer</b>	<b>Year of Call</b>	<b>Hours Billed</b>	<b>Hourly Rate</b>	<b>Amount Billed</b>
Harvey Chaiton	1982	19.70	\$950	\$18,715.00
Michael Pasternack	2014	5.30	\$775	\$4,107.50
Laura Culleton	2021	69.70	\$425	\$29,622.50
David Im	2024	1.30	\$350	\$455.00
<b>Total Hours and Amounts Billed</b>		<b>96.0</b>		<b>\$52,900.00</b>
<b>Average Hourly Rate</b>			<b>\$551</b>	
<b>Total Costs</b>				<b>\$263.60</b>
<b>Total Taxes (HST)</b>				<b>\$6,889.04</b>
<b>TOTAL</b>				<b>\$60,052.64</b>

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF  
INDEED LABORATORIES INC., IN THE CITY OF MISSISSAUGA, IN THE PROVINCE OF ONTARIO**

Court File No. BK-25-03213105-0032

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
IN BANKRUPTCY AND INSOLVENCY**

Proceedings commenced at TORONTO

**AFFIDAVIT OF HUGH MCHENRY**

**CHAITONS LLP**  
5000 Yonge Street, 10th Floor  
Toronto, ON M2N 7E9

**Harvey Chaiton** (LSO No. 21592F)  
Tel: (416) 218-1129  
Email: [harvey@chaitons.com](mailto:harvey@chaitons.com)

**Hugh McHenry** (LSO No. 93272D)  
Tel: (416) 218-1170  
Email: [HMcHenry@chaitons.com](mailto:HMcHenry@chaitons.com)

**Lawyers for the Goldhar & Associates Ltd., in its  
capacity as Court-Appointed Receiver**