C **Court File No.: CV-26-0000265-00CL**

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

MOTION RECORD

(Appointment of Receiver)

November 5, 2026

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TO: **FRESHSTONE BRANDS INC.**

Attention: Frank Burzdy and Leigh Wilson
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AND TO: THE SERVICE LIST

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TAB 1

Court File No.: CV-26-0000265-00CL

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

NOTICE OF MOTION

(Appointment of Receiver)

GARRINGTON FINANCIAL SERVICES INC. will make a motion to a judge presiding over the Ontario Superior Court of Justice Commercial List on November 10, 2026 at 9:45 a.m. (Toronto time), or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: by video conference via Zoom.

THE MOTION IS FOR:

1. an order (the "**Receivership Order**"), substantially in the form attached at Tab 3 of the Motion Record, *inter alia:*

(a) if necessary, abridging the time for service and filing of the Notice of Motion and the Motion Record, validating service thereof such that this Motion is properly returnable today, and dispensing with further service thereof;

(b) appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of Freshstone Brands Inc. ("**Freshstone**" or the "**Debtor**") including all proceeds thereof (the "**Property**") pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (Canada), as amended (the "**BIA**");

(c) granting a first-ranking, super-priority charge over the Property in favour of the Receiver and the Receiver's counsel to secure their fees and disbursements in respect of these receivership proceedings;

(d) granting a charge over the Property for the purpose of securing the funding of the exercise of the powers and duties conferred upon the Receiver pursuant to the proposed Receivership Order, subject to the ranking and borrowing limits set out in the proposed Receivership Order; and

(e) such further and other relief as counsel may advise and this Honourable Court may permit.

THE GROUNDS FOR THE MOTION ARE:

The Debtor

2. Freshstone is a Canadian prepared meals manufacturer with its principal place of business located in Toronto, Ontario, specializing in fresh, high-quality products for retail, foodservice and co-manufacturing channels. Its business model is focused on innovation, product breadth and flexibility.

3. As a result of significant financial challenges including persistent inflationary pressures affecting raw material costs, labor expenses, and supply chain logistics substantially increasing Freshstone's cost of operations and reduced consumer demand, leading to increased price-sensitive purchasing behavior, Freshstone's margins became compressed and generated material financial difficulties.

4. In anticipation of a filing under the *Companies' Creditors Arrangement Act* R.S.C. 1985 c. C-36, as amended (the "**CCAA**") and a possible transaction involving the sale of its property and business, Freshstone approached Garrington Financial Services Inc. ("**Garrington**" or the "**Applicant**") in respect of a debtor in possession credit facility to fund Freshstone's operations and restructuring expenses during the proposed CCAA filing.

5. Pursuant to a DIP Facility Loan Agreement dated as of June 8, 2026 (as amended by a First Amendment dated July 20, 2026, the "**Amended DIP Loan Agreement**") and subject to the Court granting the Initial Order (which was granted on June 9, 2026, as amended and restated on June 18, 2026) in the proceedings of Freshstone under the CCAA (the "**CCAA Proceedings**") in form and substance acceptable to Garrington, including the standard DIP

Lender's Charge, Garrington provided Freshstone with a debtor in possession revolving credit facility (the "**DIP Facility**") in a maximum amount up to the lesser of Cdn. $7,000,000 and the Borrowing Base as determined in accordance with the Amended DIP Loan Agreement. Capitalized terms used herein and not otherwise defined have the meaning ascribed thereto in the Amended DIP Loan Agreement.

6. Under the Amended DIP Loan Agreement, each week, Freshstone, with the assistance of Deloitte, in its capacity as the Court-appointed monitor in the CCAA Proceedings (in such capacity, the "**Monitor**"), was required provide Garrington with a Cash Flow Variance Report showing on a line-by-line basis (a) the cumulative actual receipts and disbursements, and (b) the cumulative variances from the amounts in the DIP Budget for the period from the start of the DIP Budget to the prior week, and noting therein all variances on a line by line basis from the amounts in the DIP Budget, with reasonably detailed explanations for all material variances.

7. Pursuant to Section 27(w) of the Amended DIP Loan Agreement, an Event of Default shall have occurred if the Cash Flow Variance Report delivered by Freshstone to Garrington discloses that Freshstone is not within the Permitted Variance as defined in the Amended DIP Loan Agreement in respect of any two consecutive one week reporting periods.

8. On October 21, 2026, Freshstone confirmed to Garrington that an Event of Default had occurred under the Amended DIP Loan Agreement. The Event of Default arose as a result of Freshstone exceeding the Permitted Variance for two consecutive weeks as shown on the Cash Flow Variance Reports submitted to Garrington on October 10, 2026, and October 17, 2026.

9. As set out in the Monitor's Fifth Report to Court dated October 21, 2026 (the "**Fifth Report**"), the Monitor's investigations revealed that Freshstone had suffered a material reduction in actual and projected sales as a result of lost customers, reductions in order volumes from certain customers and the inability to fulfil orders owing to the inability to source sufficient raw materials as a result of cash constraints. Consequently, Freshstone has been unable to pay approximately $2,000,000 owing in respect of obligations arising after the commencement of the CCAA Proceedings. Also as set out in the Fifth Report, the Monitor had asked Mr. Burdzy if he intended to close the Transactions (as defined in the Fifth Report) in light of the aforesaid developments, and Mr. Burdzy declined to confirm his intention to do so as of the date of the Fifth Report. On October 22, 2026, the Monitor filed its Fifth Report to inform the Court that it had ascertained a material adverse change in respect of Freshstone's projected cash flow or financial circumstances in accordance with section 23(1)(d)(i) of the CCAA.

10. On October 23, 2026, Garrington issued and delivered a Notice of Event of Default dated October 22, 2026 (the "**Default Notice**") to Freshstone and the Monitor, pursuant to the Amended DIP Loan Agreement. Under the Default Notice, Garrington elected to terminate its commitment to make further advances to the Freshstone. Notwithstanding the foregoing, Garrington reserved its rights to, in its sole and unfettered discretion, make such additional Advances from time to time and in such amounts as may, in consultation with the Monitor, be determined by Garrington to be necessary to protect and preserve the value of the Property and the realizable value thereof ("**Protective Advances**").

11. On October 23, 2026, Garrington received the Monitor's Sixth Report to Court dated October 23, 2026, which advised readers of: (i) the delivery of the Default Notice by Garrington, (ii) Mr. Burdzy having advised the Monitor that he will NOT be proceeding to close the Transaction or advancing funds into Freshstone to address its liquidity issues; and (iii) Freshstone's steps to lay-off 134 of its 159 employees.

12. As of October 21, 2026, Freshstone was indebted to Garrington in the principal amount of $1,206,622.35 plus accrued and accruing interest, fees and reimbursable costs payable in accordance with the Amended DIP Loan Agreement.

13. The DIP Lender, in consultation with the Monitor, has agreed to make certain Protective Advances to the Monitor's Trust account (to be transferred to the control of Receiver upon its appointment) in amounts required to fund approved disbursements until November 28, 2026, including an accrual for the proposed Receiver's statutory duties between November 28, 2026 and its discharge. In consideration for, and as a condition of such Protective Advances, the Monitor has agreed that all accounts receivable collections from customers deposited into the Freshstone collection accounts will be swept and paid to the DIP Lender twice weekly in reduction of the DIP Obligations until the DIP Obligations are paid in full.

14. Based on all of the foregoing circumstances, including the written Consent of Freshstone, the appointment of Deloitte as Receiver is just and equitable and necessary to protect the interests of Garrington as secured DIP Facility lender, and the interests of other creditors and stakeholders of Freshstone. A Court-supervised receivership will provide a centralized, orderly and transparent process to efficiently maximize the realizable value of the Property.

15. Deloitte is a licensed trustee within the meaning of the BIA, is qualified to act as receiver, and has consented to act as Receiver if so appointed.

Other Grounds

16. The Applicant will also rely on the following statutory and regulatory grounds:

(a) sections 243 and 244 of the BIA;

(b) Rules 1.04, 1.05, 2.01, 2.03, 3.02, 14.05, 38, and 39 of the *Rules of Civil Procedure*, RRO 1990, Reg 194; and

(c) such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the Motion:

(a) the Affidavit of Tammy Kemp sworn November 5, 2026, and the exhibits attached thereto;

(b) the Seventh Report of Deloitte as CCAA Monitor, to be filed;

(c) the consent of Freshstone and the Monitor to the lifting of the CCAA stay of proceedings in respect of this Motion;

(d) the consent of Freshstone to the making of the proposed Receivership Order;

(e) the consent of Deloitte to act as Receiver; and

(f) such further and other evidence as counsel may advise and this Honourable Court may permit.

November 5, 2026

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AND TO: THE SERVICE LIST

Court File No.: CL-26- 0000265-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985 c. C-36 as amended

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION
(RETURNABLE NOVEMBER 10, 2026)

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TAB 2

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PLAN OF FRESHSTONE BRANDS INC.

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TAB 3

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF FRESHSTONE BRANDS INC.

AFFIDAVIT OF TAMMY KEMP

(sworn November 5, 2026)

I, TAMMY KEMP, of the Town of New Tecumseth, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS**:

1. I am the President and Chief Credit Officer of Garrington Financial Services Inc. ("**Garrington**"), and I am the person at Garrington who manages Garrington's loan portfolio including the debtor-in-possession loan facility with Freshstone Brands Inc. ("**Freshstone**"), in respect of Freshstone's proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985 c.C-36, as amended ("**CCAA**"). As such, I have personal knowledge of the facts and matters herein deposed, except where otherwise indicated. Where such facts and matters are based on information obtained from others, I state the source of such information and I verily believe it to be true.

2. This Affidavit is filed in support of Garrington's motion as DIP Lender in the Freshstone CCAA Proceedings for an order (the "**Receivership Order**") pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* R.S.C. 1985 c.C-36, as amended (the "**BIA**"), among other things,

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(i) appointing Deloitte Restructuring Inc. ("**Deloitte**") as receiver (in such capacity, the "**Receiver**"), without security, of all of the property, assets and undertakings of Freshstone, including all proceeds thereof (the "**Property**"); (ii) granting a court ordered priority charge over the Property, ranking behind only the Administration Charge granted in the Amended and Restated Initial Order of the Honourable Justice Black dated June 18, 2026 (the "**ARIO**") in the CCAA Proceedings, in favour of the Receiver and the Receiver's counsel to secure their fees and disbursements in respect of these receivership proceedings (the "**Receiver's Charge**"); and (iii) granting a court ordered Receiver's borrowing priority charge over the Property, ranking behind the Administration Charge, the Receiver's Charge and DIP Lender's Charge and ahead of the Directors' Charge (each as defined in and granted pursuant to the ARIO), for the purpose of funding the exercise of the powers and duties conferred upon the Receiver pursuant to the proposed Receivership Order.

Consents:

3. While not attached for timing/logistical reasons, Garrington anticipates the within motion to proceed based on the filed and signed:

(a) consent of Freshstone and Deloitte, in its capacity as CCAA monitor in the CCAA Proceedings (the "**Monitor**"), consenting to the lifting of the stay of proceedings in the CCAA Proceedings in order to enable Garrington to bring the within motion, in accordance with paragraph 15 of the ARIO;

(b) consent of Freshstone to the granting of the proposed Receivership Order, substantially in the form attached thereto as Schedule "A"; and

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(c) consent of Deloitte to act as Receiver in accordance with the proposed Receivership Order, substantially in the form attached thereto as Schedule "A.

The CCAA Proceedings:

4. The principal purpose of the CCAA Proceedings was to undertake a Court approved sale and investor solicitation process ("**SISP**") for the Property comprising the Freshstone business. On June 18, 2026, the Court granted an Order (the "**SISP Order**") approving the SISP and authorizing the use of the Subscription Agreement dated as of June 12, 2026, (the "**Stalking Horse Agreement**"), between Freshstone, as issuer, and Frank Burdzy, as investor, as a "stalking horse bid" in the SISP. Following the conduct of the SISP, the Monitor advised stakeholders that there were no Superior Proposals and that the Stalking Horse Agreement had been declared the Successful Bid (as such terms are defined in the SISP). On October 14, 2026, the Court approved the transaction contemplated by the Stalking Horse Agreement (the "**Transaction**") and issued the "reverse vesting order" requested by Freshstone and recommended by the Monitor.

The Amended DIP Loan Agreement:

5. Pursuant to a DIP Facility Loan Agreement dated as of June 8, 2026 (the "**DIP Loan Agreement**") and subject to the Court granting the Initial Order in the CCAA Proceedings in form and substance acceptable to Garrington, including the standard DIP Lender's Charge, Garrington provided Freshstone with a debtor in possession revolving credit facility (the "**DIP Facility**") in a maximum amount up to the lesser of Cdn. $7,000,000 and the Borrowing Base, as determined in accordance with the DIP Loan Agreement. A copy of the DIP Loan Agreement is attached hereto as **Exhibit "A".**

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6. At the request of Freshstone in connection with Borrowing Base reporting timing and the planned relocation of certain inventory by Freshstone, Freshstone and Garrington entered into a First Amendment to DIP Facility Loan Agreement dated as of July 20, 2026 (the "**First Amendment**"), a copy of which is attached hereto as **Exhibit "B".**

7. At the further request of Freshstone in connection with the relocation of certain inventory by Freshstone that might have otherwise breached a covenant in the DIP Loan Agreement, as amended by the First Amendment (the "**Amended DIP Loan Agreement**"), Garrington entered into a Waiver dated as of July 22, 2026, a copy of which is attached hereto as **Exhibit "C"**.

8. Attached to the DIP Loan Agreement was a copy of the initial detailed cash flow forecast reviewed and approved by Garrington (as updated from time to time in accordance with the Amended DIP Loan Agreement, the "**DIP Budget**"). Under the Amended DIP Loan Agreement, on the Saturday of each week, Freshstone, with the assistance of the Monitor, was required to provide Garrington with a variance report (the "**Cash Flow Variance Report**"), certified by a senior officer of Freshstone (which certification shall acknowledge and agree that Garrington is relying on such certification in determining whether to accept an Updated Cash Flow) showing on a line-by-line basis (a) the cumulative actual receipts and disbursements, and (b) the cumulative variances from the amounts in the DIP Budget for the period from the start of the DIP Budget to the prior Saturday, and noting therein all variances on a line by line basis from the amounts in the DIP Budget, with reasonably detailed explanations for all material variances. Pursuant to Section 27(w) of the Amended DIP Loan Agreement, an Event of Default shall have occurred if the Cash

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Flow Variance Report delivered by Freshstone to Garrington discloses that Freshstone is not within the Permitted Variance[1] in respect of any two consecutive one-week reporting periods.

Events of Default:

9. On October 21, 2026, Freshstone confirmed to Garrington that an Event of Default had occurred under the Amended DIP Credit Agreement. The Event of Default arose as a result of Freshstone exceeding the Permitted Variance for two consecutive weeks as shown on the Cash Flow Variance Reports submitted to Garrington on October 10, 2026, and October 17, 2026. Freshstone requested a waiver from Garrington of such Event of Default.

10. On October 22, 2026, Garrington was served with a copy of the Monitor's Fifth Report to Court dated October 21, 2026 (the "**Fifth Report**"), a copy of which is attached hereto as **Exhibit "D"**. The Fifth Report reflected that the Monitor's investigations revealed that Freshstone had suffered a material reduction in actual and projected sales as a result of lost customers, reductions in order volumes from certain customers and the inability to fulfil orders owing to the inability to source sufficient raw materials as a result of cash constraints. Consequently, Freshstone has been unable to pay certain post-filing liabilities when due, and as of October 17, 2026, 125 creditors were owed a total of $2,050,958 owing in respect of obligations arising after the commencement of the CCAA Proceedings, of which $1,414,975 was past due. The Fifth Report also indicated that

[1] Under the Amended DIP Loan Agreement "Permitted Variance" means: as it pertains to income of Freshstone, negative variance from the DIP Budget of up to fifteen percent (15%), and as it pertains to expenses of Freshstone, adverse variance from the DIP Budget of up to fifteen percent (15%), in each case in respect of subject one week period. For certainty, such variance shall be calculated as the difference, in a subject one week period, expressed as a percentage, between (A) the actual result of Freshstone for the subject period (and as it pertains to expenses, excluding the fees and expenses of Garrington) and (B) the equivalent budgeted amount (excluding, as it pertains to expenses, the fees and expenses of the Garrington) for the subject period.

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the Monitor had asked Mr. Burdzy if he intended to close the Transaction in light of the aforesaid developments, and that Mr. Burdzy declined to confirm his intention to do so as of the date of the Fifth Report. Based on the foregoing information the Monitor declared a Material Adverse Change in respect of Freshstone, as set out in the Fifth Report.

11. As a result of the information provided by the Monitor in the Fifth Report, Garrington declined to grant Freshstone's waiver request. On October 23, 2026, Garrington delivered a Notice of Event of Default dated October 22, 2026 (the "**Default Notice**") to Freshstone and the Monitor, pursuant to, and in accordance with, Section 28 of the Amended DIP Loan Agreement. A copy of the Default Notice is attached hereto as **Exhibit "E".**

12. Under the Default Notice, Garrington elected to: (i) terminate its commitment to make further advances to the Freshstone, (ii) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility, and (iii) declare such amounts to be immediately due and payable without any applicable periods of grace. Notwithstanding the foregoing, Garrington reserved its rights to, in its sole and unfettered discretion, make such additional advances from time to time and in such amounts as may, in consultation with the Monitor, be determined by Garrington to be necessary to protect and preserve the value of the Property and the realizable value thereof ("**Protective Advances**").

13. The Default Notice also reserved all of Garrington's rights and remedies under and in respect of the Amended DIP Loan Agreement, ARIO and otherwise available at law upon five (5) days' prior written notice to Garrington and the Monitor, including to apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Property.

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14. On October 23, 2026, Garrington was served with the Monitor's Sixth Report to Court dated October 23, 2026 (the "**Sixth Report**"), a copy of which is attached hereto as **Exhibit "F"**. The Sixth Report advised readers of: (i) the delivery of the Default Notice by Garrington, (ii) Mr. Burdzy having advised the Monitor that he will NOT be proceeding to close the Transaction or advancing funds into Freshstone to address its liquidity issues; and (iii) Freshstone's steps to lay-off 134 of its 159 employees.

DIP Facility Indebtedness:

15. As of October 21, 2026, Freshstone was indebted to Garrington in the principal amount of $1,206,622.35 plus accrued and accruing interest, fees and reimbursable costs payable in accordance with the Amended DIP Loan Agreement. Despite the requirement in the DIP Loan Agreement to do so, the Company failed to sweep its accounts receivable collections deposited into its collection accounts to the DIP Lender from October 16, 2026 onward, and used the funds therein to fund employee payroll and accrued vacation, without the prior approval of the DIP Lender.

Protective Advances:

16. The DIP Lender, in consultation with the Monitor, has agreed to make certain Protective Advances to the Monitor's Trust account (to be transferred to the control of Receiver upon its appointment) in amounts required to fund approved disbursements until November 28, 2026, including an accrual for the proposed Receiver's statutory duties between November 28, 2026 and its discharge. In consideration for, and as a condition of such Protective Advances, all accounts receivable collections from customers received by Freshstone or the Receiver from and after

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November 9, 2026 will be remitted to the DIP Lender twice weekly, commencing on November 12, 2026, in reduction of the DIP Obligations until the DIP Obligations are paid in full.

The Need for a Receiver over the Property

17. Based on all of the foregoing circumstances, including the written Consent of Freshstone to the relief sought by Garrington as DIP Lender herein, I verily believe that the appointment of Deloitte as Receiver is just and equitable and necessary to protect the interests of Garrington as secured DIP Lender, and the interests of other creditors and stakeholders of Freshstone. A Court-supervised receivership will provide a centralized, orderly and transparent process to efficiently maximize the realizable value of the Property.

18. I swear this affidavit in support of Garrington's motion for the appointment of a Receiver over the Property of Freshstone and for no other or improper purpose.

AFFIRMED BEFORE ME over videoconference on this 5th day of November, 2026. The affiant was located in the City of Berlin, Germany and the commissioner was located in the City of Toronto, in the Province of Ontario, Canada. This affidavit was commissioned remotely in accordance O. Reg. 431/20, Administering Oath or Declaration Remotely

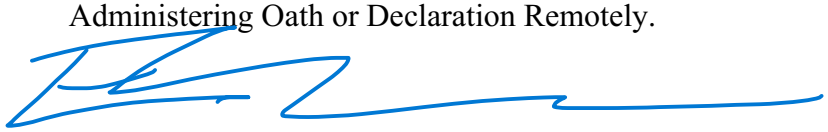
Edmond Lamek (LSO#33338U)
Commissioner for Taking Affidavits and Notary Public

Signed by:
Tammy Kemp
344D98CD75514B6...

TAMMY KEMP

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This is Exhibit "A" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

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DIP FACILITY LOAN AGREEMENT

DATED AS OF JUNE 8, 2026

WHEREAS the Borrower (as defined below) has requested that the DIP Lender (as defined below) provide financing to fund certain of the Borrower's cash requirements during the pendency of the proceedings (the "**CCAA Proceedings**") to be commenced by the Borrower under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") in accordance with the terms and conditions set out herein;

AND WHEREAS the DIP Lender has agreed to provide the DIP Facility (as defined below) in accordance with the terms and subject to the conditions set out herein in connection with the CCAA Proceedings.

NOW THEREFORE in consideration of the foregoing and their respective representations, warranties, covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Defined Terms**: Capitalized terms that are not defined in the body of this Agreement have the meanings ascribed to them in Schedule A.

2. **Currency**: Unless otherwise stated, all monetary denominations shall be in lawful currency of Canada.

3. **Borrower**: Freshstone Brands Inc. (the "**Borrower**").

4. **DIP Lender**: Garrington Financial Services Inc. (the "**DIP Lender**").

5. **DIP Facility and Loan Amount**: Subject to the terms and conditions hereof, the DIP Lender agrees to provide to the Borrower a debtor-in-possession priority revolving credit facility (the "**DIP Facility**") in a maximum aggregate principal amount at no time exceeding the lesser of (i) **$7,000,000 (seven million dollars)**, and (ii) an amount equal to the Borrowing Base then in effect.

   The principal amount of any advance of the DIP Facility made in accordance with the terms of this Agreement (each an "**Advance**" and, collectively, the "**Advances**") that is repaid may be re-borrowed as a new Advance, subject to satisfaction of the terms of this Agreement.

6. **DIP Advances**: Each Advance shall be directly advanced to the Borrower upon satisfaction by the Borrower or waiver by the DIP Lender of the conditions precedent stated in Section 15 (only in the case of the initial Advance hereunder) and Section 16 (in the case of all Advances, including the initial Advance).

7. **Use of Proceeds**: The proceeds of the DIP Facility shall be used by the Borrower solely in accordance with, and subject to, the DIP Budget and the Court Orders: (a) to fund the ordinary course working capital and other general corporate purposes of the Borrower, (b) to fund the CCAA Proceedings, including, without limitation to pay the documented fees and expenses of the Monitor, counsel to the Monitor, counsel to the Borrower, Assistants (as defined in the Initial Order) and the sale advisor to the Borrower, (c) to pay Permitted Fees and Expenses, and (d) to pay amounts owing by the Borrower under the KERP. No proceeds may be used for any other purpose, except with the prior written approval of the DIP Lender (in its sole and absolute discretion). For greater certainty, the Borrower may not use proceeds of the DIP Facility to pay any pre-filing obligations without the

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prior written consent of the DIP Lender, unless the payment of such obligations is included in the DIP Budget or is authorized under the Court Orders.

8. **Evidence of Indebtedness**: The DIP Lender shall maintain a register evidencing Advances and repayments under the DIP Facility and all other amounts owing from time to time hereunder. The DIP Lender's register constitutes, in the absence of manifest error, *prima facie* evidence of the Indebtedness of the Borrower to the DIP Lender pursuant to the DIP Facility.

9. **Interest**: The Advances from time to time outstanding shall bear interest at the Interest Rate.

   All interest hereunder shall be computed on the basis of a year of 365 days and shall accrue daily and calculated and paid monthly in arrears (or at such time of any payment or prepayment as set out in this Agreement).

   For the purposes of the *Interest Act* (Canada) and disclosure thereunder, whenever any interest or fee to be paid under this Agreement is to be calculated on the basis of a period that is less than a calendar year, the yearly rate of interest to which the rate used in such calculation is equivalent is the rate so used multiplied by the actual number of days in the calendar year in which the same is to be ascertained and divided by the number of days in the period that is less than a calendar year.

10. **Closing Fee**: On the date on which the initial Advance hereunder is made, the Borrower shall pay to the DIP Lender a commitment fee in an amount equal to $70,000 which shall be fully earned on such date, with such fee, together with the Permitted Fees and Expenses invoiced prior to such date to be retained by the DIP Lender from the initial Advance made hereunder. The $25,000 deposit paid in connection with the term sheet associated with this Agreement shall be applied to partially cover the costs incurred by the DIP Lender in preparing term sheet, this Agreement and the due diligence associated therewith.

11. **Collateral Monitoring Fee**: The Borrower shall pay to the DIP Lender a fully earned and non-refundable collateral monitoring fee (the "**Collateral Monitoring Fee**"), payable in the amount of $5,000 on the date of the initial Advance and thereafter in the amount of $5,000 monthly in advance on the first Banking Day of each calendar month.

12. **DIP Lender's Fees and Expenses**: The Borrower shall be responsible for all reasonable costs and expenses of the DIP Lender (including all reasonable fees, expenses and disbursements of outside counsel) in connection with the DIP Facility, including the preparation of this Agreement, the administration of the DIP Facility, the enforcement of any of its rights and remedies available hereunder and in connection with the CCAA Proceedings (collectively, "**Permitted Fees and Expenses**"). The Permitted Fees and Expenses shall be paid by the Borrower within five (5) Banking Days of being invoiced therefor provided that certain Permitted Fees and Expenses incurred on or prior to the date of the initial Advance, shall be paid from such initial Advance and the Borrower hereby irrevocably directs the Lender to apply proceeds of such initial Advance to such Permitted Fees and Expenses.

13. **DIP Budget**: Attached hereto as Schedule B is a detailed cash flow forecast (as replaced from time to time by the Updated Cash Flow, in accordance with the terms of this Section 13, the "**DIP Budget**"), which the DIP Lender acknowledges and agrees has been reviewed and approved by the DIP Lender and is in form and substance satisfactory to the DIP Lender. On Friday of each week, commencing on Friday June 12, 2026, the Borrower, with the assistance of the Monitor, shall provide the DIP Lender with a variance report (collectively, the "**Cash Flow Variance Report**"), certified by a senior officer of the Borrower (which certification shall acknowledge and agree that

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the DIP Lender is relying on such certification in determining whether to accept an Updated Cash Flow), showing on a line-by-line basis (a) the cumulative actual receipts and disbursements and (b) the cumulative variances from the amounts in the DIP Budget for the period from the start of the DIP Budget to the prior Friday and noting therein all variances on a line by line basis from the amounts in the DIP Budget, with reasonably detailed explanations for all material variances. In addition, concurrently with the Cash Flow Variance Report, the Borrower may, but is not obligated to, provide to the DIP Lender an updated cash flow forecast, which if provided shall be substantially in the form of the DIP Budget (the "**Updated Cash Flow**"). Within three (3) Banking Days of delivery of an Updated Cash Flow, the DIP Lender shall provide to the Borrower a written notice (the "**Cash Flow Notice**") confirming to the Borrower whether or not the Updated Cash Flow has been accepted as satisfactory to the DIP Lender, acting reasonably. If the DIP Lender delivers a Cash Flow Notice in which it states that the Updated Cash Flow is not acceptable to it, it shall provide reasonably detailed reasons for such determination and the existing DIP Budget shall remain in effect until the Borrower has delivered a revised Updated Cash Flow acceptable to the DIP Lender, acting reasonably. If the DIP Lender does not deliver a Cash Flow Notice within three (3) Banking Days of delivery of an Updated Cash Flow, the Updated Cash Flow shall be deemed to be accepted as satisfactory to the DIP Lender. If the DIP Lender accepts or is deemed to accept the Updated Cash Flow in accordance with the above, the DIP Budget shall be substituted by the Updated Cash Flow and the Updated Cash Flow shall be deemed to be the effective DIP Budget for the purposes of this Agreement.

14. **Borrowing Base Certificate:** Attached hereto as Schedule C is the initial certificate reflecting the Borrowing Base (a "**Borrowing Base Certificate**") as of Friday May 28, 2026. Prior to 2:00pm (Toronto time) on Tuesday of each week, commencing on Tuesday June 9, 2026, the Borrower, with the assistance of the Monitor, shall provide the DIP Lender with an updated Borrowing Base Certificate in substantially the same form as that of Schedule C with values as of the most recent Friday of the previous week, certified by a senior officer of the Borrower which shall thereafter be deemed to be the effective Borrowing Base Certificate for the purposes hereof.

15. **Conditions Precedent to the Initial Advance**: The DIP Lender's agreement to make the initial Advance hereunder is subject to the satisfaction of the following conditions precedent:

(a) the Borrower shall have provided to the DIP Lender a draft copy of all material documents to be served and/or filed in connection with its application for the Initial Order at least two (2) Banking Days before the earlier of service and filing thereof to permit review by the DIP Lender and its legal advisors, unless it is not practical in the circumstances to provide a draft copy of such material documents in such timing in which case the Borrower shall provide the DIP Lender with a draft copy of such material documents as far in advance as the circumstances permit, which materials (including the proposed Initial Order and all other proposed Court Orders) shall be in form and substance acceptable to the DIP Lender, acting reasonably;

(b) the Court shall have issued the Initial Order by no later than 5:00 pm (Toronto time) on June 12, 2026; and

(c) unless consented to by the DIP Lender in writing, the Initial Order shall not have been amended, restated, modified or varied in a manner adverse to the DIP Lender or vacated, stayed, set aside, or be subject to an appeal or a motion seeking leave to appeal.

(d) the DIP Lender shall have received all fees and other amounts due and payable, including reimbursement or payment of all out-of-pocket expenses (including legal fees and

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expenses) required to be reimbursed or paid by the Borrower hereunder, provided that, for greater certainty certain of such amounts shall be deducted from the initial Advance as set out in the direction entered into in connection therewith;

(e) the DIP Lender shall have received corporate resolutions in respect of the Borrower authorizing the execution, delivery and performance of this Agreement; and

(f) the Borrower shall have paid all statutory liens, trust and other government claims that are then due and owing, including, without limitation, source deductions that if unpaid would result in a lien, encumbrance or trust claim on the Collateral in priority or *pari passu* to the DIP Lender.

16. **Conditions Precedent to each Advance (including the Initial Advance)**: The DIP Lender's agreement to make any Advance hereunder (including the initial Advance) is subject to the satisfaction of the following conditions precedent:

(a) the Borrower shall have delivered to the DIP Lender an Advance notice in the form of Schedule D hereof no later than 12:00pm (Toronto time) one (1) Banking Day prior;

(b) unless consented to by the DIP Lender in writing, the Initial Order or, from and after issuance thereof, the Amended and Restated Initial Order, shall not have been amended, restated, modified or varied in a manner adverse to the DIP Lender, or vacated, stayed, set aside, or be subject to an appeal or a motion seeking leave to appeal;

(c) all representations and warranties contained in this Agreement shall be true and correct on the date of such requested Advance with the same effect as if made on and as of such date;

(d) no Event of Default that has not been waived by the DIP Lender shall have occurred or be expected to occur as a result of the requested Advance;

(e) there shall be no Encumbrance upon the Collateral ranking *pari passu* with or in priority to the DIP Charge, other than the Permitted Priority Liens;

(f) there shall not have occurred any event or development that has had or could reasonably be expected to have a Material Adverse Effect on the Borrower, the Business or the Collateral, as determined by the DIP Lender in its reasonable discretion;

(g) the operations of the Borrower shall comply in all material respects (as determined by the DIP Lender, in its reasonable discretion) with the DIP Budget;

(h) the Borrower is diligently and in good faith continuing its restructuring efforts under the CCAA Proceedings;

(i) the amount of any requested Advance shall not exceed the amount of cash then projected to be required by the Borrower in the week immediately after the delivery of the applicable Borrowing Base Certificate, in accordance with the DIP Budget then in effect and approved by the DIP Lender, and taking into account cash on hand at the time, and anticipated receivables; and

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(j) the sum of the principal amounts of all Advances then outstanding that have not at such time been repaid, would not, after the making of any requested Advance, exceed the amount of the then existing Borrowing Base.

17. **DIP Charge**: All obligations of the Borrower under or in connection with the DIP Facility and this Agreement, including without limitation, all principal and interest and the Permitted Fees and Expenses (collectively, the "**DIP Obligations**") shall be secured by a Court-ordered priority charge as described in Section 18 below on the Collateral in favour of the DIP Lender (the "**DIP Charge**").

18. **Priority of DIP Charge**: The DIP Charge shall have priority on the Collateral over any and all other Encumbrances, other than the Permitted Priority Liens (which, for greater certainty, includes the Administration Charge).

19. **Repayment and Maturity Date**: The DIP Facility shall terminate and all DIP Obligations owing to the DIP Lender shall be due and payable on the earliest of the following:

(a) November 30, 2026 or such later date as agreed in writing by the DIP Lender;

(b) the completion of a sale or sales of all or substantially all of the Borrower's assets, property and undertaking, or of all or substantially all of the shares of the Borrower or of all or substantially all of the Borrower's business;

(c) the implementation of a plan of compromise or arrangement pursuant to the CCAA Proceedings;

(d) the date on which the stay in the Initial Order or the Amended and Restated Initial Order expires without being extended or on which the CCAA Proceedings is terminated or dismissed; and

(e) an Event of Default which has not been waived by the DIP Lender and in respect of which the DIP Lender has elected, in its sole discretion, to accelerate the DIP Obligations.

(such earliest date, the "**Maturity Date**").

The Maturity Date may be extended from time to time at the request of the Borrower and with the prior written consent of the DIP Lender for such period and on such terms and conditions as the Borrower, the DIP Lender and, in the case of any material amendments to the terms hereof, to which the Monitor agrees and the Court approves.

The DIP Lender's commitment to make Advances under the DIP Facility shall expire on the Maturity Date and all then outstanding DIP Obligations shall be repayable as at the Maturity Date.

20. **Mandatory Prepayments**: Subject to the terms and conditions herein, and unless otherwise agreed upon with the DIP Lender, the Borrower, within three (3) Banking Days after the receipt of the proceeds described in Sections 20 (a) or (b) below, shall repay the DIP Obligations with the following amounts received after the date hereof, subject to the prior payment in respect of any amount secured by the Permitted Priority Liens and the establishment of appropriate reserves (in each case as determined by the Monitor and the DIP Lender each acting reasonably, or as otherwise ordered by the Court) in respect of any future amount that may become owing by the Borrower that would be secured by a Permitted Priority Lien or otherwise considered necessary for the completion

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of the CCAA Proceedings (as determined by the Monitor and the DIP Lender, acting reasonably, or as otherwise ordered by the Court):

(a) insurance proceeds (net of deductibles) or expropriation awards received by the Borrower or any Person on the Borrower's behalf, except any insurance proceeds relating to the directors and officers' insurance policy subscribed by the Borrower on behalf of its directors and officers; and

(b) the net cash proceeds from: (i) the sale of any equity interests in the Borrower, (ii) the receipt of capital contributions by the Borrower, or (iii) the sale of assets of the Borrower outside of the normal course of business.

Any mandatory prepayment made hereunder may be re-borrowed, subject to satisfaction of the terms of this Agreement.

In addition, if at any time the principal amount of the Advances outstanding hereunder shall exceed the Borrowing Base then the Borrower shall, within two (2) Banking Days of notice thereof repay any such excess.

21. **Optional Prepayment**: The Borrower may, without premium or penalty, voluntarily repay or prepay any principal amount of the DIP Obligations, subject to the establishment of appropriate reserves for, *inter alia*, payment of any amount secured by the Permitted Priority Liens, as determined by the Monitor and the DIP Lender, acting reasonably, or as otherwise ordered by the Court. The Borrower shall give written notice to the DIP Lender of each voluntary prepayment not less than three (3) Banking Days prior to such voluntary prepayment. Such notice shall be irrevocable and shall specify:

(a) the date on which the prepayment is to take place; and

(b) the principal amount of the prepayment.

Any voluntary prepayment may be re-borrowed, subject to satisfaction of the terms of this Agreement.

22. **Payments**: All payments of DIP Obligations by the Borrower hereunder shall be made for value in the full amount due at or before 4:00 pm (Toronto time) on the day such amount is due by deposit or transfer thereof to an account designated by the DIP Lender. Payments received after such time shall be deemed to have been made on the next following Banking Day. If any payment is due on a day which is not a Banking Day, such payment shall be due on the next following Banking Day and interest shall accrue until but excluding the actual date of payment.

Each payment to be made by the Borrower shall be made in full without deduction, set-off or counterclaim of any kind or for any reason. All payments required hereunder shall be made in lawful currency of Canada.

All amounts received in repayment of DIP Obligations shall be applied as follows: (i) first, to outstanding Permitted Fees and Expenses (ii) second to outstanding interest hereunder; (iii) third, towards outstanding principal hereunder, and (iv) fourth toward other outstanding DIP Obligations.

23. **Cash Management**:

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(a) The Borrower shall, at its own expense, enforce, collect and receive all amounts owing on its accounts in the ordinary course of its business and any proceeds it so receives shall be subject to the terms hereof.

(b) All cheques, cash receipts, credit card sales and receipts, all collections of accounts receivable and all other proceeds, notes, instruments or property received by the Borrower with respect to the Collateral shall be deposited into one or more bank accounts of the Borrower (the "**Collection Accounts**") held with Canadian Imperial Bank of Commerce. The Collection Accounts shall be segregated accounts of the Borrower, and the Borrower shall not be permitted to withdraw any funds from the Collection Accounts, or permit the withdrawal of any funds from the Collections Accounts, other than (A) Excepted Funds (B) for the payment of ordinary course banking fees associated with such Collection Accounts and (C) for immediate remittance of such funds to the DIP Lender in accordance with the terms of this Agreement.

(c) The Borrower shall open new bank account(s) with Canadian Imperial Bank of Commerce from which accounts all disbursements shall be paid (the "**Disbursement Accounts**") and into which all Advances shall be deposited.

(d) On Friday of each week, commencing with Friday June 12, 2026, the Borrower shall remit all funds in the Collection Accounts (other than Excepted Funds) to the DIP Lender in reduction of the DIP Obligations and repayment of the Advances to be applied in the following order: (i) first towards Permitted Fees and Expenses, (ii) second towards indemnity obligations then due and payable by the Borrower to the DIP Lender pursuant to the terms of this Agreement, (iii) third towards unpaid interest then due, (iv) fourth towards principal and (v) fifth towards any other DIP Obligations then due and payable. The Borrower shall be permitted to transfer at any time Excepted Funds to a Disbursement Account.

24. **Representations and Warranties**: The Borrower represents and warrants to the DIP Lender, upon which the DIP Lender relies in entering into this Agreement, that, subject to the granting of the Initial Order and the Amended and Restated Initial Order:

(a) The Borrower is duly incorporated and validly existing under the laws of its jurisdiction of incorporation and is qualified to carry on business in each jurisdiction in which it owns property or assets or carries on business;

(b) The transactions contemplated by this Agreement have been duly authorized, executed and delivered by or on behalf of the Borrower, and:

(i) are within the powers of the Borrower;

(ii) constitute legal, valid, binding and enforceable obligations of the Borrower;

(iii) do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach or violation of, or conflict with, any of the terms or provisions of its constating documents or by-laws or any contracts or instruments to which it is a party or pursuant to which any of its assets or property may be affected, other than breaches that are stayed by the Initial Order; and

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(iv) there is no requirement for the Borrower to make any filing with, give any notice to or obtain any licence, permit, certificate, registration, authorization, consent or approval of, any Governmental Authority as a condition to the lawful consummation of the transactions contemplated by this Agreement;

(c) The Business has been and will continue to be conducted in material compliance with applicable Law of each jurisdiction in which the Business has been or is being carried on, subject to the provisions of each Court Order made after the Filing Date;

(d) The Borrower has obtained all Authorizations for the operation of the Business, which Authorizations remain, and after entering into the DIP Facility will remain, in full force and effect, and no proceedings have been commenced to revoke or amend any such Authorizations;

(e) No expropriation or casualty event has occurred with respect to any of the Collateral;

(f) No material pending litigation or proceeding exists against the Borrower or the Collateral, or seeking to enjoin or otherwise prevent or declare invalid or unlawful the occupancy, use, maintenance or operation of the assets or the conduct of the Business that has not been disclosed to the DIP Lender or that will not be stayed by the Initial Order;

(g) The DIP Budget, any Updated Cash Flow, any Borrowing Base Certificate and any forward-looking statements, estimates, and pro forma financial information contained in this Agreement, certificate, document or statement furnished to the DIP Lender pursuant to this Agreement are based on good faith estimates and assumptions believed by the Borrower to be reasonable at the time made, as certified by a senior officer of the Borrower;

(h) The Borrower has in full force and effect policies of insurance with sound and reputable insurance companies in such amounts, with such deductibles and risks as are customarily carried by companies engaged in similar businesses;

(i) No Event of Default has occurred and is continuing that has not been waived by the DIP Lender;

(j) The Borrower has filed in a timely fashion all required tax returns and reports (except in respect of any prior fiscal period for which the due date for filing the applicable tax return has not yet occurred) and paid all required taxes and remittances, including all employee source deductions (including income taxes, employment insurance and Canada pension plans), sales taxes (both federal and provincial), payroll taxes and workers compensation payments, and any taxes that are not yet due and payable or which are in dispute in which case appropriate reserves have been made;

(k) No pension plan of the Borrower is a defined benefit pension plan, and all pension plans are established, registered, funded, invested, administered, operated and maintained under, and in compliance in all material respects with, all requirements of applicable Law;

(l) Other than as a result of the CCAA Proceedings or as otherwise disclosed to the DIP Lender in writing prior to the date hereof, the Borrower is not in default under or with respect to any contract that is a Material Contract;

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(m) The Borrower has not entered into any material transaction or other written contractual relationship with any Affiliate or related party except as disclosed to the DIP Lender in writing prior to the date of this Agreement other than currently existing employment arrangements;

(n) Any payments to shareholders, directors and senior executives of the Borrower or any Affiliate or related party, whether under contract or otherwise, including bonus payments, transaction payments, change of control payments, management fees, consulting or advisory fees or amounts payable in respect of reimbursement to the extent known and contemplated for future payments, have been included and specified in the DIP Budget;

(o) The DIP Charge provisions in the Initial Order and the Amended and Restated Initial Order are effective to create, in favour of the DIP Lender, a legal, valid, binding, and enforceable perfected security interest in the Collateral and the proceeds and products thereof; No information, report, financial statement, exhibit or schedule furnished by or on behalf of the Borrower to the DIP Lender in connection with the negotiation of this Agreement, or delivered hereunder or thereunder (including any Borrowing Base Certificate), contained, contains or will contain any material misstatement of fact or omits or will omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were or are made, not materially misleading;

(p) The Borrower and each of its directors, officers, employees and agents is, and has conducted its business, in material compliance with all applicable anti-money laundering and anti-terrorist financing laws, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (collectively, "**AML Legislation**"), and no part of the proceeds of any Advance will be used, directly or indirectly, in violation of any AML Legislation;

(q) The Borrower and each of its directors, officers, employees and, to its knowledge, agents is, and has conducted its business, in compliance in all material respects with all applicable anti-corruption laws, including the *Corruption of Foreign Public Officials Act* (Canada) and the *Criminal Code* (Canada) (collectively, "**Anti-Corruption Laws**"), and no part of the proceeds of any Advance will be used, directly or indirectly, for any payments to any governmental official or employee, political party, official of a political party, candidate for political office, or anyone else acting in an official capacity, in order to obtain, retain or direct business or obtain any improper advantage;

(r) The Borrower and each of its directors, officers, employees and, to its knowledge, agents is, and has conducted its business, in compliance in all material respects with all applicable sanctions laws and regulations, including those administered by the Government of Canada, the Office of Foreign Assets Control of the U.S. Department of the Treasury, and the United Nations (collectively, "**Sanctions**"), and no Advance will be used to fund any operations in, finance or facilitate any investments, activities, business or transaction with any Person or in any country or territory that is the subject of Sanctions;

(s) No tangible Collateral (other than Collateral in transit to customers in the ordinary course of business) with a book value in excess of $200,000 is located at any location not listed on Schedule H hereto (in all cases subject to the terms of Section 26(ff));

(t) All contracts to which the Borrower is a party that are material to the Business are set forth on Schedule G hereto (collectively, the "**Material Contracts**"). The Borrower has not

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received any written notice of any intention by any party to any Material Contract to terminate, cancel, amend in a way that is negative to the interests of the Borrower (that is not stayed by the Initial Order or the Amended and Restated Initial Order or unless otherwise indicated in Schedule G), or not renew any Material Contract.

(u) The Borrower does not own any real property; and

(v) The Borrower owns, or is licensed to use (including pursuant to the license agreements listed on Schedule I hereto, which Schedule I lists all such license agreements existing as of the date of this Agreement), all Intellectual Property necessary to conduct its Business as currently conducted and as expected to be conducted during the CCAA Proceedings. For greater certainty, the Borrower is not party to, and has not in the twelve months prior to the date of this Agreement been party to any license agreements or use agreements (including in relation to any recipes uses in the business of the Borrower) with any related party, or entity or person who was at any time a related party to the Borrower, whether written, oral or otherwise. No claim has been asserted in writing and is pending by any Person challenging or questioning the use of any Intellectual Property by the Borrower or the validity or effectiveness of any Intellectual Property, nor does the Borrower know of any such claim. To the Borrower's knowledge, the use of any Intellectual Property by the Borrower does not infringe on the rights of any Person.

25. **Affirmative Covenants**: The Borrower agrees and covenants to perform and do each of the following until the DIP Obligations are permanently and indefeasibly repaid in full and the DIP Facility is cancelled, except as otherwise agreed in writing by the DIP Lender:

(a) Provide to the DIP Lender a draft copy of all material documents to be served and/or filed in connection with any application or motion brought by the Borrower for a court order (including the Amended and Restated Initial Order) at least five (5) Banking Days before the earlier of service and filing thereof to permit review by the DIP Lender and its legal advisors, unless it is not practical in the circumstances to provide a draft copy of such material documents in such timing in which case the Borrower shall provide the DIP Lender with a draft copy of such material documents as far in advance as the circumstances permit, which materials (including the proposed Amended and Restated Initial Order and all other proposed Court Orders) shall be in form and substance acceptable to the DIP Lender, acting reasonably;

(b) Obtain from the Court which shall issue the Amended and Restated Initial Order in form and substance satisfactory to the DIP Lender, acting reasonably, by no later than 5:00 pm (Toronto time) on June 22, 2026;

(c) Except to the extent served on the service list established in the CCAA Proceedings, provide to the DIP Lender, promptly upon receipt, a copy of any materials filed by third parties in connection with any application or motion to the Court or another court in respect of the CCAA Proceedings;

(d) Comply in all material respects with the provisions of applicable Law, subject to the provisions of the Court Orders, including, without limitation, the Initial Order and, from and after issuance thereof, the Amended and Restated Initial Order;

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(e) Comply at all times with the DIP Budget, provided the Borrower shall be permitted to experience variation from the DIP Budget provided that such actual results are not outside of the Permitted Variance in any two consecutive one week measurement periods;

(f) Deliver to the DIP Lender Cash Flow Variance Reports in accordance with Section 13 and such other information from time to time as is reasonably requested by the DIP Lender, unless such information is deemed privileged or confidential by the Borrower with the concurrence of the Monitor;

(g) Deliver to the DIP Lender a Borrowing Base Certificate in accordance with Section 14;

(h) Subject to disclosure restrictions set forth in a Court Order or pursuant to applicable Law, keep the DIP Lender apprised on a timely basis and as reasonably requested by the DIP Lender of all material developments with respect to the CCAA Proceedings, the Collateral and the Business and affairs of the Borrower;

(i) Notify the DIP Lender forthwith of the occurrence of any Default or Event of Default or any event or circumstance that would constitute an Event of Default or material adverse change from the DIP Budget or any Updated Cash Flow;

(j) Preserve, renew, maintain and keep in full force and effect its corporate existence and its Authorizations required in respect of the Business or any of the Collateral;

(k) Maintain in full force all policies and contracts of insurance that are now in effect (or renewals thereof) under which the Borrower, the Business or any of the Collateral is insured, and furnish to the DIP Lender, on written request, confirmation that such insurance is carried, paid and current;

(l) Pay when due all applicable Taxes and other amounts that are Priority Payables, permitting and licensing fees and other amounts necessary to preserve the Collateral to avoid any Encumbrance thereon;

(m) Pay when due all principal, interest and Permitted Fees and Expenses payable by the Borrower under this Agreement;

(n) Use commercially reasonable efforts to maintain or cause to be maintained in good repair, working order and condition (ordinary wear and tear excepted) all properties used or useful in the Business and make or cause to be made all appropriate repairs, renewals and replacements thereof;

(o) Preserve, renew and keep in full force its corporate existence, and its contracts and permits that are material to the ongoing Business of the Borrower;

(p) Promptly, upon becoming aware thereof, provide details of the following to the DIP Lender:

(i) any pending (or threatened in writing) litigation, actions, suits, arbitrations, other proceedings or notices received in respect of same, against the Borrower, by or before any court, tribunal, Governmental Authority or regulatory body, which is not stayed by the Initial Order or the Amended and Restated Initial Order and that may have a Material Adverse Effect, and

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(ii) any material existing (or threatened in writing) default or dispute with respect to any contract or permit that is material to the ongoing Business of the Borrower, other than a monetary default.

(q) Comply in all material respects with all AML Legislation, Anti-Corruption Laws and Sanctions at all times, and conduct its business in such a way and maintain adequate policies, procedures and controls to ensure that it and each of its directors, officers, employees and, to the extent it can, agents is in compliance with all AML Legislation, Anti-Corruption Laws and Sanctions, and that the representations and warranties set out in the foregoing paragraphs relating thereto are true and correct at all times;

(r) Promptly give notice to the DIP Lender of any material breach of or non-compliance with any AML Legislation, Anti-Corruption Laws or Sanctions by the Borrower or any of its directors, officers, employees or agents;

(s) Permit the DIP Lender, on reasonable notice, and for the account of the Borrower to conduct one (1) field exam and one (1) inventory appraisal shortly after the initial Advance under this Agreement (the "**Initial Exam/Appraisal**"). Thereafter, during the continuance of an Event of Default the DIP Lender may conduct any field exams and inventory appraisals as and when it considers appropriate in its sole and absolute discretion, and for the account of the Borrower. The costs to the Borrower of any field exam or inventory appraisal work conducted after the completion of the Initial Exam/Appraisal and in respect of field exams and inventory appraisals and related follow-up work associated therewith occurring outside of the occurrence of an Event of Default shall be capped at $50,000 for the life of this Agreement. Field exams and inventory appraisal activities occurring when no Event of Default is continuing shall be conducted with reasonable prior notice and so long as the same does not unduly disrupt the business and operations of the Borrower. During any field exam and inventory appraisal activities the Borrower shall permit the DIP Lender to visit, or have any agent or service provider of the DIP Lender inspect, appraise and conduct field examinations of any or all of the Collateral and make abstracts from any of its books and records at any reasonable time and as often as may reasonably be desired and to discuss its business operations, properties and financial and other conditions with its officers, employees and its independent public accountants, subject to solicitor-client privilege, all Court Orders, applicable privacy laws and applicable confidentiality obligations;

(t) As soon as available, but in any event not later than fifteen (15) days after the end of each calendar month, provide to the DIP Lender confirmation of payment of all Taxes owing by the Borrower to any Governmental Authority (including in respect of employee source deductions, sales taxes, payroll taxes, harmonized taxes) that, if unpaid, would or may have the benefit of an Encumbrance, lien or deemed trust claim ranking in priority to or *pari passu* with the DIP Charge;

(u) Provide to the DIP Lender, on the last Banking Day of every other week, a status report and such other updated information relating to the conduct of the Business, the CCAA Proceedings, the sales process (if applicable) and such other information as may be reasonably requested by the DIP Lender, in form and substance reasonably acceptable to the DIP Lender;

(v) The SISP Order shall have been issued and entered on or before 40 days after the issuance of the Initial Order, or such other date as agreed to by the DIP Lender; and

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(w) Maintain the patenting and registration of all material Intellectual Property (other than recipes) owned by it with the appropriate Governmental Authority and promptly apply to patent or register, as the case may be, all new material Intellectual Property (other than recipes) developed by the Borrower and notify the DIP Lender in writing five (5) Banking Days prior to filing any such new material patent or registration.

26. **Negative Covenants**: Except as may be reasonably necessary or required under the CCAA Proceedings, by Court Order or by Law, the Borrower covenants and agrees not to do the following, other than with the prior written consent of the DIP Lender:

(a) Seek any Court Order that may adversely impact the DIP Lender;

(b) Use any Advance other than in accordance with the permitted uses hereunder (including, without limitation, under the DIP Budget) and the Court Orders;

(c) Except as contemplated by this Agreement or any Court Order, and except as otherwise required by Law, make any payment of any Indebtedness or obligations existing as at the Filing Date (the "**Pre-Existing Debt**"), other than in accordance with the DIP Budget;

(d) Create, incur or permit to exist any Indebtedness, other than: (i) in accordance with the DIP Budget; (ii) Pre-Existing Debt, and (iii) accounts payable in the ordinary course of Business;

(e) Except for Permitted Encumbrances, create or permit to exist any Encumbrance or provide or seek or support a motion by another Person to provide any Encumbrance, upon any of the Collateral;

(f) Present for acceptance by any creditors or approval by the Court any plan of compromise or arrangement or take any other action which contemplates or may result in a compromise or other impairment of the obligations to the DIP Lender or the DIP Obligations, or the rights of the DIP Lender under or in respect of this Agreement;

(g) Enter into or present for approval by the court any sale or other transaction involving all or substantially all of the Collateral, business or all or substantially all of the shares of the Borrower, which does not provide for the payment in full in cash upon closing of the DIP Obligations;

(h) Change its jurisdiction of incorporation, chief executive office or registered office;

(i) Enter into, or amend, any transaction or series of related transactions with any Affiliate, unless in connection with a Court-approved sale or other transaction involving all or substantially all of the Collateral, business or all or substantially all of the shares of the Borrower, which does not provide for the payment in full in cash upon closing of the DIP Obligations;

(j) Change its name, fiscal year end or accounting policies or amalgamate, consolidate with, merge into, dissolve or enter into any similar transaction with any other Person or permit a change of control of the Borrower, unless required in connection with a Court-approved sale or other transaction involving all or substantially all of the Collateral, business or all or substantially all of the shares of the Borrower;

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(k) Enter any restrictive covenants or agreements which might affect the value or liquidity of any Collateral;

(l) Except in the ordinary course of business, move any of the Collateral outside of the Province of Ontario;

(m) Create or acquire any new subsidiary, or otherwise make an investment in another person, except if contemplated by the DIP Budget or unless in connection with a Court-approved sale or other transaction involving all or substantially all of the Collateral, business or all or substantially all of the shares of the Borrower;

(n) Purchase or redeem its shares or units or otherwise reduce its capital;

(o) Cause, consent to, or permit any early termination, or material amendment or waiver of any terms or conditions of or obligations under any Material Contract or permit that is material to the ongoing Business or restructuring efforts of the Borrower;

(p) Transfer, sell, lease, assign or otherwise dispose of any of the property, assets or undertaking of the Borrower except for: (i) the sale of assets in the ordinary course of business, or (ii) in accordance with the Initial Order, the Amended and Restated Initial Order, the SISP Order or any other Court Order to be rendered by the Court;

(q) Cease (or threaten in writing to cease) to carry on the Business of the Borrower as currently being conducted or modify or alter in any material manner the nature and type of its operations, Business or the manner in which such business is conducted except as contemplated in the DIP Budget;

(r) Declare or pay any dividends, or distributions to shareholders, or repay any shareholders' loans, interest thereon or share capital of the Borrower;

(s) Make or give any financial assurances, in the form of bonds, letters of credit, financial guarantees or otherwise to any Person or Governmental Authority;

(t) Enter into any arrangement with any Person whereby the Borrower shall sell or otherwise transfer any property owned by the Borrower and thereafter rent or lease such property or any other Person to whom funds have been or are to be advanced on the security of such property;

(u) Enter into, renew, amend, modify or assume any employment, consulting, management, service or analogous agreement or arrangement with any director, senior or executive officer or senior management of the Borrower or any related party, or make any payment to any such Person in respect of any bonus, change of control payment or severance package of any kind whatsoever other than (i) as consented to by the Monitor and approved by the Court on prior notice to the DIP Lender, (ii) as consented to by the DIP Lender, or (iii) as set out in the DIP Budget;

(v) Enter into or be a party to any transaction including any purchase, sale, lease, license or exchange of property, the rendering of any service or the payment of any management, advisory or similar fee, with any Person who is not at arm's length, other than (i) as consented to by the Monitor and approved by the Court on prior notice to the DIP Lender, or (ii) as consented to by the DIP Lender;

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(w) Apply for, or consent to, any new order, or amendment or modification to an existing order materially adversely affecting the DIP Lender, issued in the CCAA Proceedings;

(x) Seek or apply to stay, reverse, appeal, vacate, discharge, terminate or amend the Initial Order or the Amended and Restated Initial Order or the Monitor's role as monitor thereunder;

(y) File or support the confirmation of any plan of compromise or arrangement or liquidation other than an Acceptable Plan of Arrangement without the prior written consent of the DIP Lender;

(z) Open or maintain any operating accounts, deposit accounts, securities accounts or other investment property accounts with any Person other than with a financial institution designated by the DIP Lender, except as required for the Collection Accounts and Disbursement Accounts established in accordance with this Agreement;

(aa) Enter into, or be a party to, hedging arrangements of any kind;

(bb) Create, incur, assume, or permit to exist any consensual limitation or restriction on the ability of the Borrower to (i) make any payment to the DIP Lender or perform or observe any of its covenants or agreements under this Agreement, or (ii) grant any Encumbrance on any of its assets in favour of the DIP Lender;

(cc) Incur aggregate capital expenditures in any calendar month in excess of the amounts set out in the DIP Budget for such month;

(dd) Establish, or make any amendments or changes to, any pension plan or benefit plan of the Borrower, or establish, maintain, participate in or contribute to any defined benefit pension plan;

(ee) Change its articles, by-laws or other constating documents in any way that would have a material adverse effect on the DIP Lender or its rights under this Agreement; and

(ff) Without providing the DIP Lender with at least thirty (30) days prior written notice, and providing an updated Schedule H hereto, change the location of any of its tangible personal property forming part of the Collateral other than (i) moving Collateral from one location on Schedule H to another location on Schedule H, and (ii) in connection with the sale or disposition of equipment by any liquidator which takes possession of same in accordance with the CCAA Proceedings.

27. **Events of Default**: The occurrence of any one or more of the following events shall constitute an event of default under this Agreement (each an "**Event of Default**"):

(a) Failure of the Borrower to pay (i) any principal amount owing under this Agreement when due, whether at stated maturity, by acceleration, or otherwise; or (ii) any interest, fee or other amount payable hereunder when due and payable;

(b) Failure of the Borrower to perform or comply with any term or covenant of this Agreement;

(c) Failure of the Borrower to pay or remit any amounts that constitute Priority Payables as they become due from time to time;

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(d) The Initial Order or the Amended and Restated Initial Order is amended, restated or otherwise varied in a manner adverse to the DIP Lender without the consent of the DIP Lender or any Court Order is issued, dismissed, stayed, reversed, vacated, amended or restated and such issuance, dismissal, stay, reversal, vacation, amendment or restatement adversely affects or would reasonably be expected to adversely affect the interests of the DIP Lender under this Agreement, as determined by the DIP Lender, acting reasonably, including any Court Order:

(i) terminating, lifting or amending the stay imposed by the Court Orders or otherwise in the CCAA Proceedings;

(ii) issuing a bankruptcy order against the Borrower;

(iii) granting an appeal of the Initial Order or the Amended and Restated Initial Order;

(iv) granting or declaring that any other claim or Encumbrance ranks equal or in priority status to the DIP Charge, except as permitted hereunder; or

(v) staying, reversing, vacating or otherwise modifying this Agreement, the DIP Charge or materially prejudicially affecting the DIP Lender or the Collateral;

(e) The appointment of a receiver and manager, receiver, interim receiver or similar official or any process of any court becomes enforceable against the Borrower or any of its property, any of its property or seized or levied upon, or a creditor takes possession of any property of the Borrower, other than if consented to by the DIP Lender in advance in writing**;**

(f) Any violation or breach of any Court Order by the Borrower;

(g) Subject to the Amended and Restated Initial Order and any other Court Order, or the prior written consent of the DIP Lender, the Borrower ceases to carry on or maintain its Business or its assets in the ordinary course of the Business;

(h) Any representation, warranty, certification or other statement of fact made or deemed made by or on behalf of the Borrower herein or any amendment or modification hereof or thereof proves to be incorrect or misleading in any material respect on or as of the date made or deemed made;

(i) Any proceeding, motion or application is commenced or filed by the Borrower, or if commenced by another Person, supported or otherwise consented to by the Borrower, seeking the invalidation, subordination or other challenge of the terms of the DIP Facility, the DIP Charge or this Agreement;

(j) The Borrower ceases (or threatens in writing to cease) to carry on business in the ordinary course;

(k) If any Court Order contravenes or is inconsistent with this Agreement which materially and adversely affects the interests of the DIP Lender, or which is not in form and substance acceptable to the DIP Lender, as determined by the DIP Lender, acting reasonably;

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(l) Except as stayed by the Initial Order, a default under, termination, or revocation or cancellation of, any Material Contract or permit that, in the opinion of the DIP Lender, acting reasonably, is material to the Business.

(m) If a proceeding is commenced or consented to by the Borrower challenging the validity, priority, perfection or enforceability of this Agreement;

(n) Any Encumbrance, lien or security interest created under the Initial Order, the Amended and Restated Initial Order shall cease to be, or shall be asserted by the Borrower not to be, a valid and perfected encumbrance, lien or security interest with the priority required hereunder;

(o) An order of the Court shall be entered granting any person an Encumbrance which is *pari passu* with or senior to the DIP Charge, or the Borrower takes any action seeking or supporting the grant of any such Encumbrance, in each case except as expressly granted or permitted under the Initial Order, the Amended and Restated Initial Order or with the consent of the DIP Lender;

(p) Payment by the Borrower of Pre-Existing Debt other than (i) as permitted by the Initial Order, the Amended and Restated Initial Order or any other Court Order, (ii) as otherwise permitted by this Agreement, or (iii) as otherwise ordered by the Court and agreed in writing by the DIP Lender in its sole discretion;

(q) The filing by Borrower of any plan of compromise or arrangement or liquidation that is not an Acceptable Plan of Arrangement or the failure to oppose the confirmation of any plan of compromise or arrangement or liquidation other than an Acceptable Plan of Arrangement, in each case without the prior written consent of the DIP Lender;

(r) If the Borrower, without the consent of the DIP Lender, seeks to obtain a "critical supplier charge" or similar protection pursuant to the CCAA in favour of any party, seeks to continue the CCAA Proceedings under the jurisdiction of a court other than the Court, or seeks to initiate any restructuring proceedings other than the CCAA Proceedings in any court or jurisdiction;

(s) If any encumbrancer takes possession of any portion of the Business or Collateral;

(t) The occurrence of a Material Adverse Effect;

(u) Any Change of Control occurs, where "Change of Control" means an event whereby any Person or group of persons acting jointly or in concert acquires ownership, directly or indirectly, beneficially or of record, of equity interests in the capital of the Borrower which have or represent more than 50% of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of the Borrower, or succeeds in having a sufficient number of nominees elected to the board of directors of the Borrower that such nominees will constitute a majority of the board of directors of the Borrower, in each case unless such change of control occurs in connection with a Court-approved sale or other transaction involving all or substantially all of the Collateral, business or all or substantially all of the shares of the Borrower which provides for the payment in full in cash of the DIP Obligations;

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(v) The Borrower or any of its directors, officers, employees or agents is in breach of or non-compliant with any applicable anti-money laundering, anti-terrorist financing or anti-corruption laws, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), the *Corruption of Foreign Public Officials Act* (Canada) and the *Criminal Code* (Canada), or any applicable sanctions laws or regulations administered by any Sanctions authority; or

(w) The Cash Flow Variance Report discloses that the Borrower is not within the Permitted Variance in respect of any two consecutive one week reporting periods.

28. **Remedies**: Upon the occurrence of an Event of Default which is continuing, the DIP Lender may, in its sole discretion, upon prior written notice to the Borrower and the Monitor, elect to terminate the DIP Lender's commitment to make further Advances to the Borrower and set-off, consolidate or accelerate all amounts outstanding under the DIP Facility and declare such amounts to be immediately due and payable without any applicable periods of grace. Upon the occurrence of an Event of Default, the DIP Lender may, subject to the Initial Order or, once issued, the Amended and Restated Initial Order, upon five (5) days' prior written notice to the Borrower and the Monitor:

(a) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral;

(b) apply for a Court Order, on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceedings to realize on the Collateral;

(c) apply to the Court to exercise any other powers and rights of a secured creditor;

(d) exercise all such other rights and remedies available to the DIP Lender under this Agreement, the Court Orders and applicable Law; and/or

(e) apply to the Court for an order for the appointment of a trustee in bankruptcy of the Borrower.

29. **Saving**: The DIP Lender shall have no obligation to the Borrower to pursue any specific remedy, to realize on any Collateral securing the DIP Obligations, or to allow any of its Collateral to be sold, dealt with or otherwise disposed of.

30. **Participating in Sale or Restructuring Process:** Notwithstanding any other term of this Agreement (but subject to provisions in this Agreement requiring notice to be provided by the Borrower to the DIP Lender of the occurrence of any Default or Event of Default), the Borrower and the Monitor shall not be required to disclose any information to the DIP Lender that the Borrower or the Monitor believes, acting reasonably, could impact the Borrower's sale or restructuring efforts, unless and until such time as the DIP Lender confirms in writing to the Borrower and the Monitor that it will not bid in excess of the aggregate amount of the debt owing by the Borrower under this Agreement and is not and will not and will not be providing financing to any potential buyer of the business or assets of the Borrower.

31. **Further Assurances**: The Borrower shall, at its own expense, from time to time do, execute and deliver, or cause to be done, executed and delivered, all such further acts, documents (including, without limitation, certificates, declarations, affidavits and reports) as the DIP Lender may reasonably request for the purpose of giving effect to this Agreement.

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32. **Withholdings and Tax Indemnity**:

(a) Any and all payments by or on account of any obligation of the Borrower hereunder shall be made free and clear of and without deduction or withholding for any Taxes, except where required by applicable Law. If the Borrower is required by applicable Law to deduct or withhold any Taxes from such payments, then:

(i) if such tax is an Indemnified Tax, the amount payable by the Borrower shall be increased so that after making all required deductions or withholdings (including deductions or withholdings applicable to additional amounts payable under this Section 32), the DIP Lender receives an amount equal to the amount it would have received had no such deductions or withholdings been made; and

(ii) the Borrower shall make such deductions and timely pay the full amount deducted to the relevant Governmental Authority in accordance with applicable Law.

(b) In addition, the Borrower shall timely pay any Other Taxes to the relevant Governmental Authority in accordance with applicable Law.

(c) Promptly after any payment of Indemnified Taxes or Other Taxes by the Borrower to a Governmental Authority (but in any event within thirty (30) days after the date of such payment), the Borrower shall deliver to the DIP Lender the original or certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the relevant return reporting such payment or other evidence of such payment reasonably satisfactory to the DIP Lender.

(d) The Borrower shall indemnify the DIP Lender and reimburse, within ten days after demand therefor, the full amount of any Indemnified Taxes or Other Taxes (including Indemnified Taxes or Other Taxes imposed on or attributable to amounts payable hereunder) levied, imposed or assessed (and whether or not paid directly by) against the DIP Lender together with any penalties, interest and expenses arising in connection therewith and with respect thereto, whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate from the DIP Lender as to the amount of such payment or liability delivered to the Borrower shall be conclusive absent manifest error.

(e) If the Borrower fails to pay to the relevant Governmental Authority when due any Taxes that it was required to deduct, withhold or pay under Section 32 in respect of any payment to or for the benefit of the DIP Lender under this Agreement, or fails to promptly furnish the DIP Lender with the documentation referred to in Section 32(c), the Borrower shall forthwith on demand indemnify the DIP Lender on a full indemnity after-Taxes basis from and against the full amount of any Taxes, losses and expenses which the DIP Lender may suffer or incur as a result of such failure.

(f) If the DIP Lender determines, in its absolute discretion, that it has received a refund of any Taxes or Other Taxes as to which it has been indemnified by the Borrower or with respect to which the Borrower has paid additional amounts pursuant to this Section 32, it shall, following repayment in full of the DIP Obligations, pay over such refund to the Borrower (but only to the extent of indemnity payments made, or additional amounts paid, by the Borrower under this Section 32 with respect to the Taxes or Other Taxes giving rise to such refund), net of all out-of-pocket expenses of the DIP Lender, and without interest (other

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than any interest paid by the relevant Governmental Authority with respect to such refund), provided that the Borrower, upon the request of the DIP Lender, agrees to repay the amount paid over to the Borrower (plus any interest, penalties or other charges imposed by the relevant Governmental Authority) to the DIP Lender in the event the DIP Lender is required to repay such refund to such Governmental Authority. Notwithstanding the foregoing, the DIP Lender shall not be under any obligation to arrange its tax affairs in any particular manner or be required to make available its tax returns or any other information relating to its taxes that it deems confidential to the Borrower or any other Person.

(g) The Borrower's obligations under this Section 32 shall survive, without limitation, the termination of this Agreement and the permanent repayment of the outstanding credit and all other amounts payable hereunder.

33. **Indemnity**: The Borrower agrees to indemnify and hold harmless the DIP Lender and each of its Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors and representatives of it and its Affiliates (each, an "**Indemnified Party**") from and against any and all actions, suits, proceedings, claims, losses, damages, liabilities (including the fees, disbursements and other charges of counsel of any Indemnified Party), incurred in connection with the financing contemplated hereby or the use of proceeds of the DIP Facility and, upon demand, to pay and reimburse for any legal or other out-of-pocket expenses incurred in connection with investigating, defending or preparing to defend any such action, suit, proceeding or claim, except to the extent they result from an Indemnified Party's bad faith, gross negligence or willful misconduct as determined by a court of competent jurisdiction. The indemnities granted under this Agreement shall survive any termination of the DIP Facility.

34. **Illegality**: If, after the date of this Agreement, the DIP Lender determines that the adoption of, or change to, any applicable Law, regulation, treaty or official directive (whether or not having the force of law) or any change therein or in the interpretation or application thereof by any court or by any Governmental Authority or any other entity charged with the interpretation or administration thereof, now or hereafter makes it unlawful for the DIP Lender to make, fund or maintain an Advance under the DIP Facility or to give effect to its obligations in respect of the DIP Facility or any Advance thereunder, the DIP Lender may, by written notice to the Borrower, declare its obligations under this Agreement with respect to the DIP Facility to be terminated, whereupon the same shall forthwith terminate, and the Borrower shall, within the time required by such law (or at the end of such longer period as the DIP Lender at its discretion has agreed) repay all Advances outstanding under the DIP Facility together with accrued interest, all Permitted Fees and Expenses and all other amounts owing hereunder.

35. **Entire Agreement**: This Agreement constitute the entire agreement between the parties related to the subject matter hereof and, as the definitive documents, supersede all prior correspondence, agreements, negotiations, discussions and understandings with respect to the subject matter hereof.

36. **Amendments and Waivers**: No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder shall operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this Agreement. A waiver, amendment, release or modification of this Agreement shall not be established by conduct, custom or course of dealing and shall occur, if applicable, solely by an instrument in writing duly executed by the DIP Lender, in the case of a waiver or release, and the parties hereto, in the case of an amendment or other modification.

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37. **Severability**: Any provision in this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

38. **No Third-Party Beneficiary**: No Person, other than the Borrower and the DIP Lender, is entitled to rely upon this Agreement, and the parties expressly agree that this Agreement does not confer any rights upon any Person not a signatory hereto.

39. **Press Releases**: The Borrower shall not issue any press release naming the DIP Lender without its prior approval, unless the Borrower is required to do so by applicable Law, in which case the Borrower shall consult with the DIP Lender prior to making such disclosure; provided, however, that the consent of the DIP Lender will not be required prior to making such disclosure. If such advance consultation is not reasonably practicable or legally permitted, to the extent permitted by applicable Law, the Borrower shall provide the DIP Lender with a copy of any written disclosure made by the Borrower as soon as practicable thereafter.

40. **Counterparts**: This Agreement may be executed in any number of counterparts and delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

41. **Notices**: Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the Person set forth below:

In the case of the DIP Lender:
Garrington Financial Services Inc.

Attention: Rick Coles
E-mail: rcoles@garringtonfs.com

With a copy to:

DLA PIPER (CANADA) LLP

Attention: James Padwick and Edmond Lamek
Email: james.padwick@ca.dlapiper.com; edmond.lamek@ca.dlapiper.com

In the case of the Borrower:

Freshstone Brands Inc.

Attention: Frank Burdzy and Leigh Wilson
Email: fburdzy@homestyleselectionslp.com;
lnewton@homestyleselectionslp.com

With a copy to:

Stikeman Elliott LLP

Attention: Serge Levy/Guy Martel/Danny Vu

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Email: sergelevy@stikeman.com /gmartel@stikeman.com/ddvu@stikeman.com

In either case, with a copy to the Monitor:

Deloitte Restructuring Inc.

Attention: Nigel Meakin/Shane Connolly
Email: nmeakin@deloitte.ca/sconnolly@deloitte.ca

With a copy to:

Osler, Hoskin & Harcourt LLP

Attention: Marc Wasserman/Tiffany Sun
Email: mwasserman@osler.com/tsun@osler.com

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 pm local time or on a day other than a Banking Day, in which case the notice shall be deemed to be received the next Banking Day.

42. **English Language**: The parties hereto confirm that this Agreement and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*

43. **Assignments**: The Borrower shall not be permitted to assign any rights or obligations hereunder or without the prior written consent of the DIP Lender. Following the issuance of the Initial Order and the funding of the initial Advance to the Borrower, the DIP Lender may, subject to approval by the Court, assign or otherwise grant participations in the DIP Facility and its rights and obligations under this Agreement, in whole or in part, provided that (i) so long as no Event of Default is continuing, the Borrower has consented thereto, and (ii) any assignment without recourse to the DIP Lender shall be subject to the DIP Lender providing the Monitor with reasonable evidence in form and substance satisfactory to the Monitor, acting reasonably, that the assignee has the financial capacity to fulfil its obligations hereunder. Upon the issuance of the SISP Order (and provided that no Event of Default is continuing), the DIP Lender may only assign its rights and obligations under this Agreement, in whole or in part, or otherwise grant participation rights in this Agreement to a party or parties approved by the Monitor in writing, acting reasonably, or otherwise approved by the Court.

44. **Interpretation**: In this Agreement, words signifying the singular include the plural and vice versa, and words signifying gender include all genders. Every use of the word "including" in this Agreement is to be construed as meaning "including, without limitation". The division of this Agreement into Sections and the insertion of headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. References in this Agreement to a Section or Schedule are to be construed as references to a Section or Schedule of or to this Agreement unless the context requires otherwise. Subject to any limitations set forth herein, references to contracts, agreements or instruments are deemed to include all amendments, supplements, restatements or replacements to or of such contracts, agreements or instruments. References to a Person includes that Person's successors and permitted assigns.

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45. **Rule of Construction**: This Agreement has been negotiated by each party with the benefit of legal representation, and any rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not apply to the construction or interpretation of this Agreement.

46. **Time of Essence**: Time is of the essence in all respects of this Agreement.

47. **Governing Law and Jurisdiction**: 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. The parties hereby attorn and submit to the non-exclusive jurisdiction of the Court.

[remainder of page left intentionally blank; signature page follows]

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

GARRINGTON FINANCIAL SERVICES INC.

Per: _____
Name: Richard E. Coles
Title: Secretary

FRESHSTONE BRANDS INC.

Per: _____
Name:
Title:

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IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

GARRINGTON FINANCIAL SERVICES INC.

Per: _____
Name:
Title:

FRESHSTONE BRANDS INC.

Per: _____
Name: Frank Burdzy
Title: CEO

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SCHEDULE A
DEFINITIONS

"**Acceptable Plan of Arrangement**" means a Plan of Arrangement that provides for the payment in full in cash of the DIP Obligations upon the effective date of such Acceptable Plan of Arrangement;

"**Administration Charge**" means the super-priority charge to be granted by the Court in an amount not exceeding $650,000 securing the fees and expenses of: (i) the Borrower's counsel in respect of the CCAA Proceedings, (ii) the Monitor, (iii) the Monitor's counsel, and (iv) the sale advisor to the Company, if appointed;

"**Advance**" means the principal amount of any advance made in accordance with the terms and conditions of this Agreement;

"**Affiliate**" of any Person means, at the time such determination is made, any other Person controlling, controlled by or under common control with such first Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of such Person, whether through the ownership of voting securities or otherwise;

"**Agreement**" means this DIP Facility Loan Agreement, including all Schedules, as it may be modified, amended, revised, restated, replaced, supplemented or otherwise changed from time to time and at any time hereafter;

"**Amended and Restated Initial Order**" means an order of the Court to be issued in the CCAA Proceedings substantially in the form attached hereto as Schedule F or otherwise in form and substance acceptable to the DIP Lender, acting reasonably;

"**Authorization**" means, with respect to any Person, any order, permit, approval, consent, waiver, licence (including, without limitation, any of the foregoing relating to the Business) or similar authorization of any Governmental Authority related to the Borrower, the Collateral or the Business;

"**Banking Day**" means any day, other than Saturday and Sunday, on which banks generally are open for business in Toronto, Ontario;

"**Borrower**" has the meaning given to that term in Section 3;

"**Borrowing Base**" means the sum of:

(a) 75% of the amount of Eligible Accounts Receivable, less the amount, if any, of the Dilution Reserve, plus

(b) The lesser of (A) $1,000,000, and (B) twenty-five percent (25%) of the book value of Eligible Inventory (as recorded in accordance with Accounting Standards for Private Enterprises),

minus

(c) a reserve for Permitted Priority Liens, (provided that only an amount of $250,000 attributable to the Administration Charge shall form part thereof).

For greater certainty, the Borrowing Base shall be determined by Lender (including the eligibility of accounts and inventory) based on the most recent Borrowing Base Certificate delivered to the DIP Lender in accordance with Section 14;

"**Borrowing Base Certificate**" has the meaning given to that term in Section 14;

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"**Business**" means the business, operations, properties, assets, prospects or condition (financial or otherwise) of the Borrower, taken as a whole;

"**Cash Flow Variance Report**" has the meaning given to that term in Section 13;

"**CCAA**" has the meaning given to that term in the recitals;

"**CCAA Proceedings**" has the meaning given to that term in the recitals;

"**Collateral**" means all present and after-acquired assets, property and undertakings of the Borrower;

"**Copyrights**" means all copyrights in any original work of authorship fixed in any tangible medium of expression, all registrations and applications for registration of any such copyrights in Canada, the United States or any other country, and all proceeds of the foregoing, including license royalties and proceeds of infringement suits, the right to sue for past, present and future infringements, all rights corresponding thereto throughout the world and all renewals and extensions thereof;

"**Court**" has the meaning given to that term in the recitals;

"**Court Order**" means an order of the Court granted in the context of the CCAA Proceedings, including the Initial Order as amended and restated by the Amended and Restated Initial Order;

"**Default**" shall mean the occurrence of any Event of Default or event which, with the passage of time or notice or both, would, unless cured or waived, become an Event of Default;

"**Dilution Factors**" means, without duplication, with respect to any period, the aggregate amount of all deductions, credit memos, returns, adjustments, allowances, bad debt write-offs, charge-offs and other non- cash credits and account adjustments which are recorded to reduce Eligible Accounts Receivable in a manner consistent with current and historical accounting practices of the Borrower;

"**Dilution Ratio**" means, for any relevant period of determination selected by the DIP Lender and the Borrower, the amount (expressed as a percentage) equal to (a) the aggregate amount of the applicable Dilution Factors for such period with respect to the Eligible Accounts Receivable of the Borrower divided by (b) the aggregate amount of sales comprising such relevant Eligible Accounts Receivable for such period of the Borrower;

"**Dilution Reserve**" means, at any time of determination, an amount sufficient to reduce the advance rate against Eligible Accounts Receivable, as applicable, by one (1) percentage point for each percentage point by which the applicable Dilution Ratio exceeds seven and one-half percent (7.5%); provided, that, no reserves shall be imposed on the first two and one-half percent (2.5%) of dilution of Eligible Accounts Receivable;

"**DIP Budget**" has the meaning given to that term in Section 13;

"**DIP Charge**" has the meaning given to that term in Section 17;

"**DIP Facility**" has the meaning given to that term in Section 5;

"**DIP Lender**" has the meaning given to that term in Section 4;

"**DIP Obligations**" has the meaning given to that term in Section 17;

"**Directors' Charge**" means a Court-ordered priority charge securing an indemnity in favour of the directors and officers of the Borrower, which (i) shall be in an amount not to exceed $1,725,000 following the issuance of the Initial Order, increased to an amount not to exceed $2,000,000 following the issuance of the Amended and Restated Initial Order and (ii) shall rank behind the Administration Charge and the DIP Charge;

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"**Eligible Accounts Receivable**" means any and all accounts, claims and receivables owing to or created by the Borrower in the ordinary course of business, which arise out of the Borrower's sale of goods or rendition of services or which are otherwise owing to the Borrower, in each case which are not excluded as ineligible by virtue of one or more of the following excluding criteria: (i) any account receivable which is outstanding more than sixty (60) days after the invoice date; (ii) accounts owing by an account debtor to the extent that twenty-five percent (25%) of the total outstanding accounts owing from such account debtor are aged more than sixty (60) days from invoice date; (iii) the amount of all holdbacks, contra accounts, rights of set-off, or other amounts for which the account debtor is entitled to offset, deduct, or reduce payment by reason of any claim, liability or obligation owed by the Borrower to such account debtor; (iv) any account receivable that arises with respect to goods that are delivered on a bill-and-hold, pre-paid, progress bill or cash on delivery bases; (v) any intercompany accounts receivable; (vi) any account receivable due from an account debtor that is not organized under the laws of Canada or any province or territory thereof or the United States or any state thereof or the District of Columbia, in each case, unless covered by credit insurance satisfactory to the DIP Lender and preapproved in writing by the DIP Lender; (vii) accounts with respect to an account debtor whose Eligible Accounts Receivable owing to the Borrower exceeds 20% of all Eligible Accounts Receivable (unless otherwise agreed to by the DIP Lender in writing), to the extent of the obligations owing by such account debtor in excess of such percentage; (viii) any account receivable upon which the Borrower's right to receive payment is not absolute or is contingent upon the fulfillment of any condition whatsoever, or as to which the Borrower is not able to bring suit or otherwise enforce its remedies against the account debtor through judicial process; (ix) any account receivable with respect to which an invoice has not been sent to the account debtor; (x) any account receivable that is the obligation of an account debtor that is a federal, provincial or state government or a political subdivision thereof or any department, agency or instrumentality thereof, unless such account receivable is subject to the Federal Assignment of Claims Act or similar provincial or state legislation, if applicable, and the DIP Lender has agreed to the inclusion of such account receivable in writing; (xi) any account receivable that is the obligation of an account debtor that has suspended business, made a general assignment for the benefit of creditors, is unable to pay its debts as they become due, or as to which a petition has been filed (voluntary or involuntary) under any law relating to bankruptcy, insolvency, reorganization or relief of debtors; (xii) any account receivable as to which the DIP Lender's interest therein is not secured by the DIP Charge (in priority to all others, other than in respect of amounts secured by the Administration Charge and Priority Payables); (xiii) any account receivable as to which any of the Borrower's representations or warranties pertaining to accounts receivable are untrue; and (xiv) any account receivable that represents interest payments, late or finance charges, or service charges owing to the Borrower;

"**Eligible Inventory**" means as at the date of determination, all Inventory (as such term is defined in the PPSA) of the Borrower that: (a) is not subject to any Encumbrance other than Permitted Encumbrances or Encumbrances in favour of the DIP Lender; (b) is located on premises owned, operated or leased by the Borrower, or in a contract warehouse or with a bailee, and referenced in Schedule H (unless inventory at such location has an aggregate book value of the less than $200,000) (c) is not in transit (d) is of good and merchantable quality, free from any defects and is not obsolete, unsalable, perished, expired, designated by any food inspection agency or other regulator as being unfit for sale or otherwise not in legal compliance, unfit for further processing or of substandard quality, in the DIP Lender's good faith credit judgment; (e) does not consist of: (i) discontinued items, (ii) slow-moving or excess items, or (iii) used items held for resale; (f) consists of raw materials or finished goods; (g) meets all standards imposed by any Governmental Authority, including with respect to its production, acquisition or importation; (h) is not placed by the Borrower on consignment or held by the Borrower on consignment from another Person; and (i) is not subject to any licensing, patent, royalty, trademark, trade name or copyright agreement with any third parties that would restrict the DIP Lender's ability to dispose of such inventory;

"**Encumbrance**" means any encumbrance, lien, trust (including any deemed, statutory or constructive trust), charge, hypothec, pledge, mortgage, title retention agreement, or security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege, statutory preference of every kind and nature whatsoever (including any construction trust or lien arising pursuant to the *Construction Act*, R.S.O

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1990 c. C. 30 or similar legislation of any provision or territory) or otherwise, in each case whether contractual, statutory or otherwise, and including any contract to create any of the foregoing;

"**Event of Default**" has the meaning given to that term in Section 27;

"**Excepted Funds**" means (i) the cash on hand on the Filing Date (provided that such amounts are transferred to the Disbursement Account on the Filing Date or as soon as possible thereafter when such Disbursement Account is fully operational), (ii) amounts collected in respect of HST and other tax refunds, government receivables, and other non-ordinary course receipts that do not require a mandatory prepayment pursuant to the terms of this Agreement, and (iii) all amounts remaining in the Collection Account on Friday of each week, commencing with Friday June 12, 2026, following the Borrower's compliance with its obligations under Section 23(d) such that then existing DIP Obligations have been reduced to $0;

"**Excluded Taxes**" means with respect to the DIP Lender or any other recipient of any payment to be made by or on account of any DIP Obligations, (a) Taxes imposed on income, net profits, and franchise taxes imposed (i) by the jurisdiction (or any political subdivision thereof) under the laws of which such recipient is organized or conducts business, in which its principal office is located or in which its applicable lending office is located or (ii) that are Other Connection Taxes, (b) any branch profits taxes or any similar tax imposed by a jurisdiction described in (a), (c) Taxes imposed on amounts paid or credited to the DIP Lender as a result of the DIP Lender (i) not dealing at arm's length (within the meaning of the Income Tax Act (Canada)) with the Borrower, or (ii) being a "specified shareholder" (as defined in subsection 18(5) of the Income Tax Act (Canada)) of the Borrower or not dealing at arm's length with such a specified shareholder for purposes of the Income Tax Act (Canada), except, in the case of clause (i) or (ii) above, where the non-arm's length relationship arose, or the DIP Lender was a specified shareholder or was not dealing at arm's length with a specified shareholder, solely as a result of the DIP Lender having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under or enforced this Agreement;

"**Filing Date**" means the date the Initial Order is issued by the Court;

"**Governmental Authority**" means any government, regulatory authority, governmental department, agency, commission, bureau, official, minister, Crown corporation, court, body, board, tribunal or dispute settlement panel or other law or regulation-making organization or entity: (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;

"**Indebtedness**" of any Person means, at any date, without duplication, (a) all obligations of such Person for borrowed money, including by way of overdraft and drafts or orders accepted as representing extensions of credit, (b) all obligations of such Person evidenced by bonds, debentures, the face amount of all bankers' acceptances, letters of credit, letters of guarantee and similar instruments, notes, letters of credit or other similar instruments, including obligations under any arrangement providing for the leasing of any property, which property has been or is to be sold or transferred in contemplation of such leasing, (c) all obligations of such Person to pay the deferred purchase price of property or services, (d) all obligations of such Person as lessee which are capitalized in accordance with generally accepted accounting principles (or other applicable accounting standards) consistently applied in Canada and/or the United States, (e) all indebtedness, liabilities and obligations secured by an Encumbrance on any asset of such Person, whether or not the same is otherwise indebtedness, liabilities or obligations of such Person, which, for greater certainty will not include rent paid or payable by such Person in the ordinary course, (f) all indebtedness, liabilities and obligations of others which is, directly or indirectly, guaranteed by such Person or which such Person has agreed (contingently or otherwise) to purchase or otherwise acquire, (g) all indebtedness, liabilities and obligations in respect of financial instruments which are classified as a liability on the balance sheet of such Person, (h) all obligations of such Person to otherwise assure a creditor against loss, (i) all hedging obligations and (j) all obligations of such Person for trade accounts and contracts;

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"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of the Borrower under this Agreement and (b) to the extent not otherwise described in (a), Other Taxes;

"**Initial Order**" means an order of the Court to be issued in the CCAA Proceedings substantially in the form attached hereto as Schedule E, or otherwise in form and substance acceptable to the DIP Lender, acting reasonably;

"**Intellectual Property**" means any and all Licenses, Patents, Copyrights, Trademarks, trade secrets and customer lists, in each case whether now owned or hereafter acquired by the Borrower, and for greater certainty, Intellectual Property shall include all recipes used by the Borrower in the conduct of its business;

"**Interest Rate**" means, the per annum rate equal to the Prime Rate plus 10.55%;

"**KERP**" means any Key Employee Retention Plan established by the Borrower and approved by the DIP Lender and the Court in the context of the CCAA Proceedings, under which the Borrower would make payments to those key employees designated under the KERP;

"**Law**" means any federal, provincial, county, territorial, district, municipal, local, foreign, supranational or international, law, statute, ordinance, regulation, by-law, rule, code, treaty or rule of common law or otherwise of, or any order, judgment, injunction, decree or similar authority enacted, issued, promulgated, enforced or entered by, any Governmental Authority;

"**License**" means any Copyright License, Patent License, Trademark License or other license of rights or interests now held or hereafter acquired by the Borrower;

"**Material Adverse Effect**" means any new event, circumstance, development, change, occurrence or effect that, individually or in the aggregate, (a) has had or could reasonably be expected to have a material adverse effect on the business, operations, properties, assets, financial condition or prospects of the Borrower, (b) materially impairs the ability of the Borrower to perform its obligations under this Agreement, or (c) materially impairs the validity, enforceability or priority of the DIP Charge or the rights and remedies of the DIP Lender under this Agreement, as determined by the DIP Lender in its sole discretion;

"**Material Contract**" means those contracts listed on Schedule G;

"**Maturity Date**" has the meaning given to that term in Section 19;

"**Monitor**" means Deloitte Restructuring Inc., as the Court-appointed monitor of the Borrower in the CCAA Proceedings, if and when so appointed;

"**Other Connection Taxes**" means, with respect to the DIP Lender and any other recipient of any payment to be made by or on account of any DIP Obligations, Taxes imposed as a result of a present or former connection between such recipient and the jurisdiction imposing the Tax (other than a connection arising from the execution, delivery, enforcement of, or performance under, receipt of payments under, or perfected a security interest under this Agreement);

"**Other Taxes**" means any and all present or future stamp, recording, filing, documentary or similar taxes or any other excise or property taxes, charges or similar levies arising from any payment made hereunder or from the execution, delivery or enforcement of, or performance under or otherwise with respect to this Agreement (other than Excluded Taxes and Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 43));

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"**Patents**" means all patents and letters patent of Canada, the United States or any other country, all registrations and recordings thereof, and all applications for patents and letters patent, including all reissues, continuations, continuations-in-part or extensions thereof;

"**Permitted Encumbrance**" means (i) Permitted Priority Liens, (ii) the DIP Charge, (iii) the Directors' Charge, (iv) validly perfected Encumbrances existing prior to the date hereof as in effect on the date hereof; and (v) inchoate statutory Encumbrances arising before or after the date of the Initial Order, subject to the obligation to pay all such amounts as and when due;

"**Permitted Fees and Expenses**" has the meaning given to that term in Section 12;

"**Permitted Priority Liens**" means (i) the Administration Charge, (ii) reserved, (iii) if applicable, Encumbrances in favour of secured parties that did not receive notice of the application for the Initial Order, provided that if, upon application by the Borrower, the Court enters a further order providing that the DIP Charge shall rank in priority to such secured parties' Encumbrances, such Encumbrances shall no longer constitute Permitted Priority Liens, (iv) any amounts payable by the Borrower for wages, vacation pay, employee deductions, sales tax, excise tax, tax payable pursuant to Part IX of the Excise Tax Act (Canada) (net of input credits), income tax and workers compensation claims, in the case of this item, and (v) solely to the extent such amounts are given priority by Law and only to the extent that the priority of such amounts have not been subordinated to the DIP Charge granted by the Court;

"**Permitted Variance**" means: as it pertains to income of the Borrower, negative variance from the DIP Budget of up to fifteen percent (15%), and as it pertains to expenses of the Borrower, adverse variance from the DIP Budget of up to fifteen percent (15%), in each case in respect of subject one week period. For certainty, such variance shall be calculated as the difference, in a subject one week period, expressed as a percentage, between (A) the actual result of the Borrower for the subject period (and as it pertains to expenses, excluding the fees and expenses of the DIP Lender) and (B) the equivalent budgeted amount (excluding, as it pertains to expenses, the fees and expenses of the DIP Lender) for the subject period;

"**Person**" means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires, any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

"**Pre-Existing Debt**" has the meaning given to that term in Section 26(c);

"**Prime Rate**" means, at any time of determination, the greater of (i) the annual rate of interest announced by CIBC from time to time as being a reference rate then in effect for determining interest rates on commercial loans made in Canadian dollars in Canada and (ii) 4.45% per annum. For greater certainty the interest rate referred to in part (i), as of the Closing Date is 4.45% per annum;

"**Priority Payables**" means harmonized sales tax, sales Tax and any amount payable or accrued by the Borrower which is secured by an Encumbrance (other than the Administration Charge) which ranks or is capable of ranking prior to or *pari passu* with the DIP Charge, including amounts accrued or owing for wages, vacation pay, termination pay (only where it is a priority payable), employee deductions, Taxes, or employer pension contributions, and other statutory or other claims that, in each case, have or may have priority over, or rank *pari passu* with, the DIP Charge (other than the Administration Charge);

"**SISP Order**" means an Order of the Court approving the conduct by the Borrower of a sale and investment solicitation process within the CCAA Proceedings;

"**Tax**" and "**Taxes**" means any taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind, including all interest, penalties, fines, additions to tax or other additional amounts in respect thereof, imposed, levied, collected, withheld, or assessed by any Governmental Authority, and whether disputed or not;

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"**Trademarks**" means all trademarks (registered, common law or otherwise), trade names, corporate names, company names, business names, fictitious business names, trade dress, trade styles, service marks, logos, certification marks, distinguishing guises, designs, and all other names and slogans embodying business or product goodwill or indicia of origin, registrations and applications for registration in Canada, the United States or any other country, and all renewals thereof; and

"**Updated Cash Flow**" has the meaning given to that term in Section 13.

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SCHEDULE B
DIP BUDGET

(See attached.)

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Freshstone Brands Inc.
18-Week Cash-Flow Forecast
For the Period June 8, 2026 to October 16, 2026
(CAD, in $000's, unaudited)

Cash Flow Week Week Ending	Notes	Week 1 12-Jun-26	Week 2 19-Jun-26	Week 3 26-Jun-26	Week 4 3-Jul-26	Week 5 10-Jul-26	Week 6 17-Jul-26	Week 7 24-Jul-26	Week 8 31-Jul-26	Week 9 7-Aug-26	Week 10 14-Aug-26	Week 11 21-Aug-26	Week 12 28-Aug-26	Week 13 4-Sep-26	Week 14 11-Sep-26	Week 15 18-Sep-26	Week 16 25-Sep-26	Week 17 2-Oct-26	Week 18 9-Oct-26	Week 19 16-Oct-26	Forecast Total
Receipts																					
Customer Receipts	3	1,458	1,203	1,256	1,371	1,343	1,471	1,517	1,507	2,484	2,356	2,269	2,372	2,353	2,347	2,222	1,962	2,084	2,167	2,103	35,845
Other Receipts		-	-	-	300	-	-	-	-	300	-	-	-	-	300	-	-	-	-	300	1,200
Total Receipts		**1,458**	**1,203**	**1,256**	**1,671**	**1,343**	**1,471**	**1,517**	**1,507**	**2,784**	**2,356**	**2,269**	**2,372**	**2,353**	**2,647**	**2,222**	**1,962**	**2,084**	**2,167**	**2,403**	**37,045**
Operating Disbursements																					
Vendor Payments	4	(2,422)	(2,078)	(1,167)	(1,267)	(1,364)	(1,268)	(1,337)	(1,425)	(1,416)	(1,395)	(1,296)	(1,223)	(1,325)	(1,349)	(1,188)	(1,189)	(1,348)	(1,213)	(1,285)	(26,555)
Payroll & Benefits	5	(1)	(909)	(1)	(957)	(1)	(722)	(1)	(927)	(7)	(892)	(1)	(875)	(7)	(870)	(1)	(861)	(7)	(843)	(1)	(7,884)
Occupancy Costs	6	(200)	-	(73)	(143)	(96)	-	-	(169)	-	-	-	-	(169)	-	-	-	(130)	-	-	(979)
Operating Expenses	7	(425)	(67)	(290)	(261)	(15)	(232)	(45)	(25)	(15)	(320)	(45)	(25)	(15)	(25)	(218)	(55)	(15)	(25)	(169)	(2,288)
Total Operating Disbursements		**(3,048)**	**(3,054)**	**(1,531)**	**(2,628)**	**(1,476)**	**(2,223)**	**(1,383)**	**(2,547)**	**(1,438)**	**(2,607)**	**(1,342)**	**(2,123)**	**(1,516)**	**(2,244)**	**(1,407)**	**(2,106)**	**(1,500)**	**(2,080)**	**(1,455)**	**(37,706)**
Operating Cash Flow		**(1,590)**	**(1,851)**	**(275)**	**(956)**	**(133)**	**(752)**	**134**	**(1,040)**	**1,346**	**(251)**	**928**	**249**	**837**	**403**	**815**	**(144)**	**584**	**87**	**949**	**(661)**
Restructuring Costs																					
DIP Lender Fees & Interest	8	(70)	(15)	(20)	(15)	-	-	-	-	(60)	-	-	-	(46)	-	-	-	(24)	-	-	(250)
Professional Fees - Restructuring	9	(660)	(125)	(100)	(75)	(75)	(50)	(50)	(50)	(50)	(50)	(75)	(25)	(25)	(25)	(25)	(50)	(100)	(100)	(75)	(1,785)
Total Restructuring Costs		**(730)**	**(140)**	**(120)**	**(90)**	**(75)**	**(50)**	**(50)**	**(50)**	**(110)**	**(50)**	**(75)**	**(25)**	**(71)**	**(25)**	**(25)**	**(50)**	**(124)**	**(100)**	**(75)**	**(2,035)**
Total Net Cash Flow		**(2,320)**	**(1,991)**	**(395)**	**(1,047)**	**(208)**	**(802)**	**84**	**(1,090)**	**1,236**	**(301)**	**853**	**224**	**766**	**378**	**790**	**(194)**	**460**	**(13)**	**874**	**(2,696)**
Opening Cash Balance		**2,950**	**630**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**2,950**
Net Cash Flow		(2,320)	(1,991)	(395)	(1,047)	(208)	(802)	84	(1,090)	1,236	(301)	853	224	766	378	790	(194)	460	(13)	874	(2,696)
DIP Drawdown / (Repayment)	10	-	1,561	395	1,047	208	802	(84)	1,090	(1,236)	301	(853)	(224)	(766)	(378)	(790)	194	(460)	13	(819)	-
Closing Cash Balance / (Deficit)		**630**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**200**	**254**	**254**
Borrowing Base Calculation	11																				
Opening DIP Facility Balance		-	-	1,561	1,956	3,003	3,211	4,013	3,928	5,018	3,782	4,083	3,230	3,006	2,240	1,862	1,072	1,266	806	819	
DIP Facility Draw / (Repayment)		-	1,561	395	1,047	208	802	(84)	1,090	(1,236)	301	(853)	(224)	(766)	(378)	(790)	194	(460)	13	(819)	
Ending DIP Facility Balance		**-**	**1,561**	**1,956**	**3,003**	**3,211**	**4,013**	**3,928**	**5,018**	**3,782**	**4,083**	**3,230**	**3,006**	**2,240**	**1,862**	**1,072**	**1,266**	**806**	**819**	**-**	
Borrowing Base Availability		2,717	3,694	2,948	3,988	3,336	4,149	3,930	5,376	4,432	5,259	4,421	5,138	4,165	4,840	4,076	4,913	4,096	4,871	4,045	
Excess Availability / (Shortfall)		**2,717**	**2,133**	**991**	**985**	**126**	**136**	**2**	**358**	**650**	**1,177**	**1,191**	**2,132**	**1,925**	**2,978**	**3,004**	**3,646**	**3,290**	**4,051**	**4,045**	

Notes
(1) The cash flow forecast (the "**Forecast**") has been prepared by management for the purpose of estimating Freshstone Brands Inc.'s (the "**Company**") projected liquidity requirements for the period from June 8, 2026 to October 16, 2026 (the "**Forecast Period**"). The Forecast is presented in Canadian dollars.
(2) Any amounts denominated in US dollars have been translated into Canadian dollars using a foreign exchange rate of 1.375.
(3) Customer Receipts are based on past performance and anticipated customer orders. Customer receipts are expected to increase between in Week 9 due to an increase in receipts pertaining to contracts with certain key customers.
(4) Vendor Payments reflects estimated cash outflows related to the purchase and transportation of inventory necessary to support ongoing operations.
(5) Payroll & Benefits includes salaries, wages, remittances, employee benefits and taxes for salaried and hourly employees across the Company's facilities.
(6) Occupancy Costs reflects post-filing rent for the expected period of occupation of leased premises.
(7) Operating Expenses includes other general operational expenses.
(8) DIP Lender Fees & Interest encompasses interest, fees, and other financing charges under the DIP facility.
(9) Professional Fees - Restructuring includes legal and financial advisors associated with the CCAA proceedings and are based on estimates provided by the advisors.
(10) DIP Advances / Repayments reflect the Company's expected funding needs and capacity to repay amounts drawn under the DIP Facility, while maintaining a minimum cash balance of $200,000 throughout the Forecast Period.
(11) The forecast Borrowing Base Availability is pursuant to the terms of the DIP Agreement.

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SCHEDULE C
BORROWING BASE CERTIFICATE

(See attached.)

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Freshstone Brands Inc.

Borrowing Base Certificate (CAD '000) # xx 2026-05-26

A) Collateral Type		Accounts Receivable (AR)		Inventory	
Beginning Balance			Beginning Balance		
Plus Sales			Plus Purchases		
Less Credit			Less COGS		
+/- Adjustments			+/- Adjustments		
Less Collections					
Less Discounts					
Total Accounts Receivable & Inventory	**2026-05-26**				
B) AR INELIGIBLES					
Past Due accounts (> 60 days)					
Credit Balances (>60 days)					
Cross-aging (>20% past due)					
Prebilled Invoices					
Contra					
Foreign					
Concentration (25% limit)					
Other					
C) INVENTORY INELIGIBLES					
Dead Stock					
Packaging				0	
WIP				0	
Other					
Total Ineligibles		0		0	
Eligible Collateral		0		0	
Net Account Receivable at 75%	75%	0			
Net Inventory advance at 25%	25%			0	
D) ABL Revolver - Credit Limit Availability + Draw Calculation					
Maximum Credit Limit Attributed to Eligibile AR	**Lesser of:**	7,000,000			0
Maximum Credit Limit Attributed to Eligibile Inventory	**Lesser of:**	1,000,000		0	0
Total Borrowing Base					0

E) RESERVES			
Less Dilution Reserve (xxx.x%) (to be adjusted periodically)			
Closing Costs			
Admin Charge			
Other			
Total Reserves			0
Maximum Available	**Limit**	7,000,000	0
Current Loan Outstanding			
Beginning Balance			0
Add: Advances			0
Add: Interest & Fees			0
Less: Collections Received - Draw Down against DACA Account			0
In-transit cash previous BBC			
Collections in DACA Account/Cash In-Transit +/-			
Unapplied AR Collections			
Adjustments +/-			
Fees / Expenses			
Ending Balance			0

Borrowing Base Excess (Shortfall):	**0**
Excess available for borrowing:	0
Requested Advance: (please input as a negative figure)	0
Less Wire fee	-25
Surplus after today's advance:	-25

The above noted accounts ("RECEIVABLES") and inventory or any other named collateral are subject to all the terms and conditions set forth in that certain Loan and Security Agreement, as amended from time to time, between Garrington Financial Services Inc. ("Garrington") and Borrower, dated as of xxxxx, 2026 (the "Loan Agreement," and all other security or other agreements and documents executed in connection therewith, the "Facility Agreements"). Each of the undersigned and the Borrower hereby certify to NELI that each RECEIVABLE represents a valid and bona fide sale, that the goods, merchandise and/or services represented by the RECEIVABLE have been validly delivered and/or completely rendered and that as at the date hereof, we have no notice or knowledge written or otherwise, of any dispute relating to each RECEIVABLE or a previous or subsequent RECEIVABLE with respect to any customer, which would give rise to refusal by such customer to pay the RECEIVABLE on its due date as indicated herein, and the RECEIVABLE, inventory or any other named collateral identified herein complies with all other lending eligibility requirements contained in the Loan Agreement and the other Facility Agreements.

We acknowledge and confirm that no oral agreement has been reached between us, which would vary or modify in any way, in respect of each such RECEIVABLE, or inventory or any other collateral or any of the terms or conditions of our Loan Agreement or any other Facility Agreement.

We represent and warrant to Garrington that the information set out and certified in this Statement and on any accompanying reports is true, correct and complete in all respects and acknowledge that Garrington is relying upon these representations and warranties to fund and continue funding. By executing this Statement, the undersigned and Borrower hereby ratify, confirm, and affirm all terms, conditions and provisions of the Loan Agreement and each other Facility Agreement, and further certify that on this day no default or "Event of Default" (as defined in the Loan Agreement) has occurred and is continuing and Borrower is in full compliance with the terms of the Loan Agreement.

SIGNATURE OF:

2026-05-26

xxxxx
update address

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SCHEDULE D
FORM OF ADVANCE NOTICE

TO: **GARRINGTON FINANCIAL SERVICES INC. (the "DIP Lender")**

AND TO: **DELOITTE RESTRUCTURING INC. (the "Monitor")**

FROM: **FRESHSTONE BRANDS INC. (the "Borrower")**

This Advance Notice is delivered to you in accordance with the DIP Facility Loan Agreement made as of June 8, 2026 (the "**DIP Loan Agreement**") between the DIP Lender and Borrower. Capitalized terms that are not defined herein shall have the meanings ascribed to them in the DIP Loan Agreement.

The Borrower hereby requests the Advance as follows:

a) date of Advance _____

b) amount of Advance _____

The Borrower hereby certifies that as of the date of this Advance Notice:

1) the representations and warranties contained in the DIP Loan Agreement are true and correct and that all covenants have been fully complied with in all respects;

2) no Event of Default that has not been waived or cured has occurred or is expected to occur after giving effect to the Advance.

The Borrower hereby certifies that the Advance shall be used in accordance with terms of the DIP Loan Agreement, the DIP Budget and the Court Orders.

DATED the _____ day of_____, 2026.

FRESHSTONE BRANDS INC.

Per: _____
Name:
Title:

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SCHEDULE E
INITIAL ORDER

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

SCHEDULE F
AMENDED AND RESTATED INITIAL ORDER

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

SCHEDULE G
MATERIAL CONTRACTS

Tiffany Gate leased plant:
195 Steinway Blvd, Etobicoke, ON M9W 6H6

Mississauga leased plant:
1335 Fewster Dr, Mississauga, ON L4W 1A2

Property and General Liability, AVIVA Insurance Company of Canada, Policy No. 81787238
Effective: May 1, 2026 to May 1, 2027

Equipment Breakdown, The Sovereign General Insurance Company, Policy No. S4001950813
Effective: May 1, 2026 to May 1, 2027

Cyber Liability, Travelers Insurance Company of Canada, Policy No. 1000008791
Effective: May 1, 2026 to May 1, 2027

Product Recall, certain Lloyd's Underwriters at Lloyd's, Policy No. CMO0340803052
Effective: May 1, 2026 to May 1, 2027

Crime Coverage - 3 Year Term Billed Annually expires 2027, Liberty Mutual Canada, Policy No. CMCGABJ1FG006
Effective: May 1, 2026 to May 1, 2027

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SCHEDULE H
LOCATIONS

Tiffany Gate leased plant:
195 Steinway Blvd, Etobicoke, ON M9W 6H6

Mississauga leased plant:
1335 Fewster Dr, Mississauga, ON L4W 1A2

Kitchener leased DC:
1604 Victoria St N, Kitchener, ON N2B 3E2

Albion leased Warehouse:
1801 Albion Rd, Etobicoke, ON M9W 5S7

Charlottetown leased plant:
23 4 St, Charlottetown, PE C1E 2B4

Delisle leased plant
500 Valleyview Dr, Delisle, SK S0L 0P0

Kitchener leased plant:
1326 Victoria St N, Kitchener, ON N2B 3E2

Trenton Cold Storage (third party):
178 Stockdale Road, Trenton, ON, K8V 5P6

Approved Cold Storage (third party)
5100 Harvester Rd, Burlington, ON, L7L 4X4

Shaan Warehouse (third party)
60 Armstrong AVE, Georgetown, ON, L7G 4R9

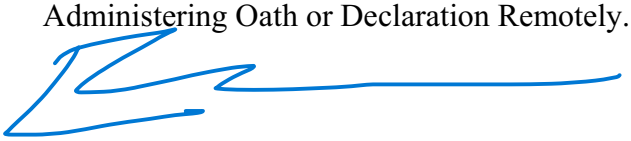
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SCHEDULE I
LICENSES TO USE INTELLECTUAL PROPERTY

None.

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This is Exhibit "B" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

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FIRST AMENDMENT TO DIP FACILITY LOAN AGREEMENT

THIS FIRST AMENDMENT (this "**Amendment**") is made as of July 20, 2026, and is entered into among Freshstone Brands Inc., as borrower (the "**Borrower**") and Garrington Financial Services Inc., as lender (the "**DIP Lender**").

RECITALS:

A. Reference is made to the DIP facility loan agreement dated as of June 8, 2026 between the Borrower and the DIP Lender (as the same may be further extended, renewed, amended, supplemented, restated or otherwise modified from time to time, the "**DIP Loan Agreement**") pursuant to which the DIP Lender agreed to provide the DIP Facility to the Borrower;

B. The Borrower and the DIP Lender have agreed to amend the DIP Loan Agreement pursuant to the terms hereof; and

C. Capitalized terms used and not defined herein shall have the meanings given to such terms in the DIP Loan Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Amendments**. The following amendments are hereby made to the DIP Loan Agreement:

   (a) Section 13 of the DIP Loan Agreement is hereby amended by deleting the reference to "prior Friday" appearing in clause (b) therein and replacing it with a reference to "prior Saturday".

   (b) Section 14 of the DIP Loan Agreement is hereby amended by deleting the reference to "Friday of the previous week" appearing therein and replacing it with a reference to "Saturday of the previous week".

   (c) Schedule H of the DIP Loan Agreement is hereby amended by deleting it in its entirety and is hereby replaced with the Schedule H attached at Exhibit 'A' hereto.

2. **General**.

   (a) Effect of Amendments. All terms and conditions of the DIP Loan Agreement and all related documents shall remain in full force and effect unless, and only to the extent, specifically amended pursuant to the terms of this Amendment, and all such documents are hereby ratified and confirmed. The DIP Loan Agreement and all related documents shall be read and construed throughout so as to incorporate the applicable provisions of this Amendment.

   (b) No Waiver. Except as expressly set out herein, nothing contained in this Amendment shall be construed or interpreted or is intended as a waiver of any

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rights, powers, privileges or remedies that the DIP Lender have or may have under the DIP Loan Agreement and all related documents.

(c) Severability. Any provision in this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

(d) Governing Law. This Amendment shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein. The parties hereby attorn and submit to the non-exclusive jurisdiction of the Court.

(e) Counterparts. This Amendment may be executed in any number of counterparts and delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

(f) English Language: The parties hereto confirm that this Amendment and all related documents have been drawn up in the English language at their request. *Les parties aux présentes confirment que le présent acte et tous les documents y relatifs furent rédigés en anglais à leur demande.*

[signature pages follow]

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IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first written above.

DIP LENDER:

GARRINGTON FINANCIAL SERVICES INC.

Per: Tammy Kemp

Name: Tammy Kemp
Title: President

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

BORROWER:

FRESHSTONE BRANDS INC.

Per: _____

Name: Frank Burdzy
Title: CEO

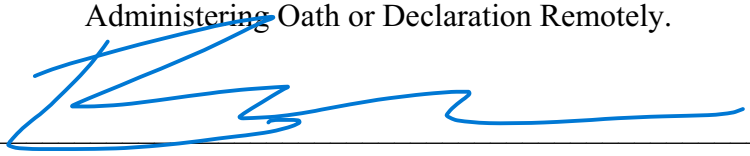
Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Exhibit A
Schedule H

(see attached)

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

This is Exhibit "C" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

WAIVER

THIS WAIVER (the "**Waiver**") is made as of July 22, 2026

BETWEEN:

GARRINGTON FINANCIAL SERVICES INC., as DIP Lender (the "**DIP Lender**")

-and-

FRESHSTONE BRANDS INC., as Borrower (the "**Borrower**")

RECITALS:

A. Reference is made to the DIP facility loan agreement dated as of June 8, 2026 between the Borrower and the DIP Lender, as amended by the first amendment on July 2026 (as the same may be further extended, renewed, amended, supplemented, restated or otherwise modified from time to time, the "**DIP Loan Agreement**") pursuant to which the DIP Lender agreed to provide the DIP Facility to the Borrower.

B. The Borrower is required to remove all Collateral and other inventory located at 1801 Albion Rd, Etobicoke, ON M9W 5S7 (the "**Albion Location**") by July 31, 2026.

C. The Borrower has arranged replacement warehousing space located at 67 Simpson Rd, Bolton, ON (the "**Proactive Location**").

D. Pursuant to Section 26(ff) of the DIP Loan Agreement, the Borrower may not change the location of tangible personal property forming part of the Collateral without providing the DIP Lender at least thirty (30) days' prior written notice and an updated Schedule H.

E. The Borrower has requested that the DIP Lender waive the thirty (30) day prior written notice period required under Section 26(ff) of the DIP Loan Agreement in respect of this specific change of location.

F. Capitalized terms used and not defined herein shall have the meanings given to such terms in the DIP Loan Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the parties hereby agree as follows:

1. **Waiver of 30-Day Notice Period**. Pursuant to and in accordance with Section 36 of the DIP Loan Agreement, the DIP Lender hereby waives compliance with the thirty (30) day prior written notice requirement contained in Section 26(ff) of the DIP Loan Agreement solely to permit the Borrower to relocate inventory and other tangible personal property forming part of the Collateral from the Albion Location to the Proactive Location.

2. **Limited Scope of Waiver**. This Waiver applies solely to the specific change of location described in paragraphs B and C above. This Waiver does not constitute a waiver of any

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other right, remedy, notice requirement or covenant of the DIP Lender or the Borrower under the DIP Loan Agreement, whether arising from the same or similar circumstances or otherwise, and shall not be construed as establishing any course of dealing with respect to any future request for waiver. Except as expressly set out in this Waiver, all other terms, conditions and covenants of the DIP Loan Agreement remain unamended and in full force and effect.

3. **Delivery of Updated Schedule H**. The updated Schedule H, reflecting the removal of the Albion Location and the addition of the Proactive Location, shall be effective immediately upon execution of this Waiver. The Borrower shall deliver such updated Schedule H to the DIP Lender concurrently with the execution of this Waiver.

4. **General**.

   (a) No Other Amendment. Other than as expressly set out in this Waiver, the DIP Loan Agreement is not amended, modified, waived or otherwise affected, and this Waiver shall not be deemed to constitute an amendment, waiver or modification of any other provision of the DIP Loan Agreement or a waiver of any Default or Event of Default (each as defined in the DIP Loan Agreement), whether or not known to the DIP Lender.

   (b) Governing Law. This Waiver shall be governed by, and construed in accordance with, the Laws of the Province of Ontario and the federal Laws of Canada applicable therein. The parties hereby attorn and submit to the non-exclusive jurisdiction of the Court.

   (c) Counterparts. This Waiver may be executed in any number of counterparts and delivered by e-mail, including in PDF format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

[signature pages follow]

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

IN WITNESS WHEREOF, the parties have executed this Waiver as of the date first written above.

DIP LENDER:

GARRINGTON FINANCIAL SERVICES INC.

Per: Tammy Kemp

Name: Tammy Kemp
Title: President

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

BORROWER:

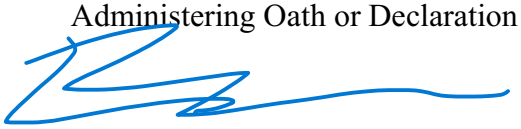
FRESHSTONE BRANDS INC.

Per: _____

Name: Frank Burdzy
Title: CEO

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

This is Exhibit "D" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



_____

A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Deloitte.

Court File No. CL-26-00000265-0000

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF

FRESHSTONE BRANDS INC.

FIFTH REPORT TO THE COURT

SUBMITTED BY DELOITTE RESTRUCTURING INC.,

IN ITS CAPACITY AS MONITOR

OCTOBER 21, 2026

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Deloitte.

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

FIFTH REPORT TO THE COURT SUBMITTED BY DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR

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SECTION A - INTRODUCTION **1**

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SECTION C - EXECUTIVE SUMMARY **4**

SECTION D - MATERIAL ADVERSE CHANGE **5**

SECTION A - INTRODUCTION

1. On June 9, 2026, Freshstone Brands Inc. (the "**Applicant**") sought and obtained from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") providing for, *inter alia*, a stay of proceedings in favour of the Applicant until June 18, 2026, (the "**Stay Period**") and the appointment of Deloitte Restructuring Inc. as monitor (in such capacity, the "**Monitor**"). The proceedings commenced by the Applicant under the CCAA will be referred to herein as the "**CCAA Proceedings**".

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2. On June 18, 2026, the Court granted an Amended and Restated Initial Order (the "**ARIO**"), *inter alia* extending the Stay Period to October 16, 2026.

3. Pursuant to the Initial Order and the ARIO, the Court approved a DIP Facility Loan Agreement dated as of June 8, 2026, (the "**DIP Credit Agreement**") between the Applicant, as borrower, and Garrington Financial Services Inc., as lender (in such capacity, the "**DIP Lender**"), pursuant to which the DIP Lender has agreed to advance up to $7 million to the Applicant, subject to the terms and conditions of the DIP Credit Agreement.

4. Also on June 18, 2026, the Court granted the Applicant's motion for an Order, *inter alia*:

   (a) Approving the implementation of a sale and investor solicitation process (the "**SISP**") in accordance with the procedures (the "**SISP Procedures**") attached thereto as Schedule A, in which the Applicant would use the Subscription Agreement (as defined below) as the "stalking horse bid" in the SISP and would seek Superior Proposals by the Bid Deadline (each as defined in the SISP Procedures) and, if one or more Qualified Bid (as defined in the SISP Procedures) is received, would conduct an auction to determine the highest and best offer available, all in order to maximize recoveries for the benefit of the stakeholders of the Applicant;

   (b) Approving, *nunc pro tunc*, the execution of the agreement dated as of June 12, 2026 (as amended from time to time, the "**Subscription Agreement**"), between the Applicant, as Issuer, and Mr. Frank Burdzy[1], as the Investor, and authorizing the use of the Subscription Agreement as the "stalking horse bid" in the SISP; and

[1] Mr. Burdzy is both a secured creditor and the Chief Executive Officer of the Applicant.

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(c) Authorizing the Applicant to engage GlassRatner Advisory Canada Inc. as the Applicant's sale advisor pursuant to the terms of an engagement agreement dated June 5, 2026.

5. On October 14, 2026, the Court granted the Applicant's motion for an Approval and Reverse Vesting Order (the "**ARVO**"), *inter alia*:

(a) Extending the Stay Period to November 30, 2026; and

(b) Approving the Subscription Agreement and the transactions contemplated therein (the "**Transactions**").

6. This, the Fifth Report of the Monitor (the "**Report**"), is filed in accordance with section 23(1)(d)(i) of the CCAA to inform the Court that the Monitor has ascertained a material adverse change in the Applicant's projected cash flow or financial circumstances.

7. The Report will be served on the service list in the CCAA Proceedings and the Monitor will advise the Applicant's creditors of the filing of the Report in accordance with section 23(1)(e) of the CCAA.

SECTION B - TERMS OF REFERENCE

8. In preparing this Report, the Monitor has relied upon unaudited financial information of the Applicant, the Applicant's books and records, certain financial information prepared by the Applicant and discussions with various parties (the "**Information**").

9. Except as otherwise described in this Report:

(a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *CPA Canada Handbook*; and

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(b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the *CPA Canada Handbook*.

10. The Monitor has prepared this Report in accordance with section 23(1)(d)(i) of the CCAA and it should not be relied on for any other purpose.

11. Future oriented financial information reported or relied on in preparing this Report is based on the assumptions of the management of the Applicant ("**Management**") regarding future events; actual results may vary from forecast and such variations may be material.

12. Unless otherwise stated, all monetary amounts contained herein are expressed in **Canadian dollars**. Capitalized terms not otherwise defined herein have the meanings given to them in the Monitor's First Report dated June 8, 2026, the ARIO, the Subscription Agreement or the ARVO, as applicable.

SECTION C - EXECUTIVE SUMMARY

13. The Monitor has ascertained that there is a material adverse change in the Applicant's projected cash flow or financial circumstances as a result of various factors including:

(a) A significant reduction in actual and projected sales volumes; and

(b) A failure to pay certain post-filing liabilities as and when due.

14. As a result of the material adverse change, in the Monitor's view there is significant uncertainty as to whether:

(a) The Transactions will close; and

(b) Post-filing liabilities will be paid.

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SECTION D - MATERIAL ADVERSE CHANGE

15. The Monitor has been made aware by Management that the Applicant has suffered a material reduction in actual and projected sales as a result of lost customers, reductions in order volumes from certain customers and the inability to fulfil orders owing to the inability to source sufficient raw materials as a result of cash constraints.

16. The reduction in sales volumes, together with the delay in the collection of certain accounts receivable has impacted the borrowing base calculation and restricted the amount available to borrow under the DIP Credit Agreement.

17. Consequently, the Applicant has been unable to pay certain post-filing liabilities when due. On October 20, 2026, the Monitor received a schedule of aged post-filing accounts payable as at October 17, 2026, which includes 125 creditors with a total of $2,050,958 owing, of which $1,414,975 is past due.

18. On October 21, 2026, the Applicant confirmed to the DIP Lender that an Event of Default had occurred under the DIP Credit Agreement. The Event of Default arose as a result of exceeding the Permitted Variance for two consecutive weeks as shown on the variance reports submitted to the DIP Lender on October 10, 2026, and October 17, 2026. The Applicant has requested a waiver of the Event of Default. As at the date of this Report, no such waiver has been provided by the DIP Lender.

19. The Monitor has discussed with the Investor the possibility of providing additional funding to the Applicant prior to Closing to address the Applicant's current cash flow constraints. As of the date of this Report, the Investor has declined to provide any assurance that such funding will be forthcoming.

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20. Pursuant to the Subscription Agreement, the obligation of the Investor to complete the Transactions is subject to the satisfaction or waiver of certain conditions as set out in paragraph 35 of the Monitor's Third Report dated September 15, 2026. The obligation of the Investor to complete the Transactions is not conditional on financing, nor is it conditional on there being no material adverse change in the business.

21. The Monitor is aware that the Investor has been attempting to arrange financing to be available on the Closing of the Transactions. As at October 20, 2026, no commitment for such financing had been confirmed to the Monitor.

22. The Monitor has asked the Investor to confirm that he will complete the Transactions by the Outside Date, being November 27, 2026. As of the date of this Report, the Investor has declined to provide such confirmation.

23. Based on the foregoing, the Monitor is of the view that there has been a material adverse change in the Applicant's projected cash flow and financial circumstances, which has or may result in:

    (a) A significant impairment to the Applicant's ability to pay all of the post-filing obligations incurred in the CCAA Proceedings; and

    (b) A risk of prejudice to the interests of one or more creditors of the Applicant.

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Deloitte.

The Monitor respectfully submits to the Court this, its Fifth Report.

Dated this 21st day of October, 2026.

Deloitte Restructuring Inc.
In its capacity as Monitor of
Freshstone Brands Inc.
and not in its personal or corporate capacity



Per: Nigel D. Meakin
Senior Vice President

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C 36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

Court File No.: CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

FIFTH REPORT OF THE MONITOR

OSLER, HOSKIN & HARCOURT LLP
100 King Street West
1 First Canadian Place
Suite 6200, P.O. Box 50
Toronto, Canada M5X 1B8

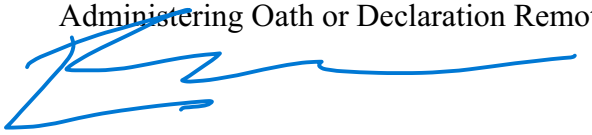
Marc Wasserman (LSO# 44066M)
Tel: (416) 862-4908
E-mail: mwasserman@osler.com

Tiffany Sun (LSO# 84440N)
Tel: (416) 862-4932
E-mail: tsun@osler.com

Lawyers for the Monitor

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

This is Exhibit "E" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



_____

A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

NOTICE OF EVENT OF DEFAULT

THIS NOTICE OF EVENT OF DEFAULT (the "**Notice**") is delivered as of October 22, 2026.

TO: FRESHSTONE BRANDS INC., as Borrower (the "**Borrower**")

AND TO: DELOITTE RESTRUCTURING INC. as CCAA Monitor (the "**Monitor**")

FROM: GARRINGTON FINANCIAL SERVICES INC., as DIP Lender (the "**DIP Lender**")

RECITALS:

A. Reference is made to the DIP facility loan agreement dated as of June 8, 2026 between the Borrower and the DIP Lender, as amended by the first amendment on July 20, 2026 (as the same may be further extended, renewed, amended, supplemented, restated or otherwise modified from time to time, the "**DIP Loan Agreement**") pursuant to which the DIP Lender agreed to provide the DIP Facility to the Borrower.

B. Capitalized terms used and not defined herein shall have the meanings given to such terms in the DIP Loan Agreement.

C. Pursuant to Section 27(w) of the DIP Loan Agreement, an Event of Default shall have occurred if the Cash Flow Variance Report delivered by the Borrower to the DIP Lender discloses that the Borrower is not within the Permitted Variance in respect of any two consecutive one week reporting periods.

D. On October 21, 2026, the Applicant confirmed to the DIP Lender that an Event of Default had occurred under the DIP Credit Agreement. The Event of Default arose as a result of exceeding the Permitted Variance for two consecutive weeks as shown on the variance reports submitted to the DIP Lender on October 10, 2026, and October 17, 2026.

---

1. **Notice and 5 Day Notice**. This Notice is being delivered to the Borrower pursuant to, and in accordance with, the first sentence of Section 28 of the DIP Loan Agreement. And separately, this Notice is being delivered to the Borrower pursuant to, and in accordance with, the five (5) day written notice requirement contained in the second sentence of Section 28 of the DIP Loan Agreement

2. **Termination of DIP Facility Commitment.** The DIP Lender hereby elects to: (i) terminate the DIP Lender's commitment to make further Advances to the Borrower, (ii) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility, and (ii) declare such amounts to be immediately due and payable without any applicable periods of grace.

3. **Protective Advances.** Notwithstanding the election set out in section 2 hereof, the DIP Lender reserves its rights to, in its sole and unfettered discretion, make such additional Advances from time to time and in such amounts as may, in consultation with the Monitor

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be determined by the DIP Lender to be necessary to protect and preserve the value of the Collateral and the realizable value thereof.

4. **Reservation of Rights and non-Waiver:** Upon the occurrence of an Event of Default, the DIP Lender may, subject to the Initial Order or, once issued, the Amended and Restated Initial Order, upon five (5) days' prior written notice to the Borrower and the Monitor:

(a) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral;

(b) apply for a Court Order, on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceedings to realize on the Collateral;

(c) apply to the Court to exercise any other powers and rights of a secured creditor;

(d) exercise all such other rights and remedies available to the DIP Lender under this Agreement, the Court Orders and applicable Law; and/or

(e) apply to the Court for an order for the appointment of a trustee in bankruptcy of the Bor-rower.

The DIP Lender hereby reserves all of its rights and remedies under and in respect of the DIP Loan Agreement, Amended and Restated Initial Order and otherwise available to the DIP Lender at law, and this Notice does not constitute a waiver of any right, remedy, notice requirement or covenant of the Borrower under the DIP Loan Agreement.

IN WITNESS WHEREOF, the DIP Lender has executed and delivered this Notice as of the date first written above.

DIP LENDER:

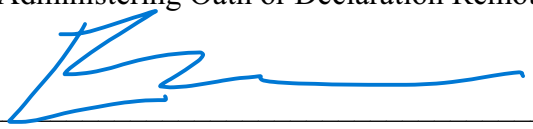
GARRINGTON FINANCIAL SERVICES INC.

Per: Tammy Kemp

Name: Tammy Kemp
Title: President

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

This is Exhibit "F" referred to in the Affidavit of Tammy Kemp.
Affirmed before me on November 5, 2026, in accordance with O. Reg. 431/20,
Administering Oath or Declaration Remotely.



A Commissioner for Taking Affidavits (or as may be)

Edmond Lamek (LSO# 33338U)

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Deloitte.

Court File No. CL-26-00000265-0000

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF

FRESHSTONE BRANDS INC.

SIXTH REPORT TO THE COURT

SUBMITTED BY DELOITTE RESTRUCTURING INC.,

IN ITS CAPACITY AS MONITOR

OCTOBER 23, 2026

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

Deloitte.

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

SIXTH REPORT TO THE COURT SUBMITTED BY DELOITTE RESTRUCTURING INC., IN ITS CAPACITY AS MONITOR

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SECTION C - EXECUTIVE SUMMARY 4

SECTION D - EVENTS SUBSEQUENT TO THE DATE OF THE FIFTH REPORT 5

SECTION A - INTRODUCTION

1. On June 9, 2026, Freshstone Brands Inc. (the "**Applicant**") sought and obtained from the Ontario Superior Court of Justice (Commercial List) (the "**Court**") an initial order (the "**Initial Order**") under the *Companies' Creditors Arrangement Act,* R.S.C. 1985, c. C-36, as amended (the "**CCAA**") providing for, *inter alia*, a stay of proceedings in favour of the Applicant until June 18, 2026, (the "**Stay Period**") and the appointment of Deloitte Restructuring Inc. as monitor (in such capacity, the "**Monitor**"). The proceedings commenced by the Applicant under the CCAA will be referred to herein as the "**CCAA Proceedings**".

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

2. On June 18, 2026, the Court granted an Amended and Restated Initial Order (the "**ARIO**"), *inter alia* extending the Stay Period to October 16, 2026.

3. Pursuant to the Initial Order and the ARIO, the Court approved a DIP Facility Loan Agreement dated as of June 8, 2026, (the "**DIP Credit Agreement**") between the Applicant, as borrower, and Garrington Financial Services Inc., as lender (in such capacity, the "**DIP Lender**"), pursuant to which the DIP Lender has agreed to advance up to $7 million to the Applicant, subject to the terms and conditions of the DIP Credit Agreement.

4. Also on June 18, 2026, the Court granted the Applicant's motion for an Order, *inter alia*:

   (a) Approving the implementation of a sale and investor solicitation process (the "**SISP**") in accordance with the procedures (the "**SISP Procedures**") attached thereto as Schedule A, in which the Applicant would use the Subscription Agreement (as defined below) as the "stalking horse bid" in the SISP and would seek Superior Proposals by the Bid Deadline (each as defined in the SISP Procedures) and, if one or more Qualified Bid (as defined in the SISP Procedures) is received, would conduct an auction to determine the highest and best offer available, all in order to maximize recoveries for the benefit of the stakeholders of the Applicant;

   (b) Approving, *nunc pro tunc*, the execution of the agreement dated as of June 12, 2026 (as amended from time to time, the "**Subscription Agreement**"), between the Applicant, as Issuer, and Mr. Frank Burdzy[1], as the Investor, and authorizing the use of the Subscription Agreement as the "stalking horse bid" in the SISP; and

[1] Mr. Burdzy is both a secured creditor and the Chief Executive Officer of the Applicant.

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(c) Authorizing the Applicant to engage GlassRatner Advisory Canada Inc. as the Applicant's sale advisor pursuant to the terms of an engagement agreement dated June 5, 2026.

5. On October 14, 2026, the Court granted the Applicant's motion for an Approval and Reverse Vesting Order (the "**ARVO**"), *inter alia*:

(a) Extending the Stay Period to November 30, 2026; and

(b) Approving the Subscription Agreement and the transactions contemplated therein (the "**Transactions**").

6. The Fifth Report of the Monitor, dated October 21, 2026 (the "**Fifth Report**"), was filed in accordance with section 23(1)(d)(i) of the CCAA to inform the Court that the Monitor had ascertained a material adverse change in the Applicant's projected cash flow or financial circumstances.

7. This, the Sixth Report of the Monitor (the "**Report**"), is filed to provide an update to the Court on events subsequent to the filing of the Fifth Report.

8. The Report will be served on the service list in the CCAA Proceedings and the Monitor will advise the Applicant's creditors of its filing.

SECTION B - TERMS OF REFERENCE

9. In preparing this Report, the Monitor has relied upon unaudited financial information of the Applicant, the Applicant's books and records, certain financial information prepared by the Applicant and discussions with various parties (the "**Information**").

10. Except as otherwise described in this Report:

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(a) The Monitor has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the *CPA Canada Handbook*; and

(b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Report in a manner that would comply with the procedures described in the *CPA Canada Handbook*.

11. The Monitor has prepared this Report as an update to the Court and it should not be relied on for any other purpose.

12. Future oriented financial information reported or relied on in preparing this Report is based on the assumptions of the management of the Applicant ("**Management**") regarding future events; actual results may vary from forecast and such variations may be material.

13. Unless otherwise stated, all monetary amounts contained herein are expressed in **Canadian dollars**. Capitalized terms not otherwise defined herein have the meanings given to them in the ARIO, the DIP Credit Agreement, the Subscription Agreement or the ARVO, as applicable.

SECTION C - EXECUTIVE SUMMARY

14. The Investor has confirmed that it:

(a) Is not prepared to provide additional funding to the Applicant prior to Closing to address the Applicant's current cash flow constraints; and

(b) No longer intends to close the Transactions.

15. The DIP Lender has delivered a Notice of Event of Default, inter alia, terminating the DIP Lender's commitment to make further Advances to the Borrower.

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16. In the Monitor's view, as a result of the foregoing and in the current circumstances, there is now no prospect of the Applicant's business continuing as a going concern and a liquidation of the Applicant's assets is inevitable

SECTION D - EVENTS SUBSEQUENT TO THE DATE OF THE FIFTH REPORT

17. Paragraph 19 of the Fifth Report, stated:

> "19. The Monitor has discussed with the Investor the possibility of providing additional funding to the Applicant prior to Closing to address the Applicant's current cash flow constraints. As of the date of this Report, the Investor has declined to provide any assurance that such funding will be forthcoming."

18. Paragraph 21 of the Fifth Report, stated:

> "21. The Monitor has asked the Investor to confirm that he will complete the Transactions by the Outside Date, being November 27, 2026. As of the date of this Report, the Investor has declined to provide such confirmation."

19. On October 22, 2026, the Investor informed the Monitor that:

    (a) It was not prepared to provide additional funding to the Applicant prior to Closing to address the Applicant's current cash flow constraints; and

    (b) It no longer intended to close the Transactions.

20. On October 22, 2026, the Applicant laid-off 123 employees. A further 11 employees were laid-off on October 23, 2026, having completed overnight sanitation activities on the plant. Currently, 25 employees have been retained.

21. Paragraph 18 of the Fifth Report, stated:

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> "18. On October 21, 2026, the Applicant confirmed to the DIP Lender that an Event of Default had occurred under the DIP Credit Agreement. The Event of Default arose as a result of exceeding the Permitted Variance for two consecutive weeks as shown on the variance reports submitted to the DIP Lender on October 10, 2026, and October 17, 2026. The Applicant has requested a waiver of the Event of Default. As at the date of this Report, no such waiver has been provided by the DIP Lender."

22. On October 23, 2026, counsel to the DIP Lender delivered to the Applicant and the Monitor a Notice of Event of Default dated October 22, 2026, a copy of which is attached hereto as **Appendix A**, stating, *inter alia*:

> "2. **Termination of DIP Facility Commitment.** The DIP Lender hereby elects to: (i) terminate the DIP Lender's commitment to make further Advances to the Borrower, (ii) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility, and (ii) declare such amounts to be immediately due and payable without any applicable periods of grace.
>
> 3. **Protective Advances.** Notwithstanding the election set out in section 2 hereof, the DIP Lender reserves its rights to, in its sole and unfettered discretion, make such additional Advances from time to time and in such amounts as may, in consultation with the Monitor be determined by the DIP Lender to be necessary to protect and preserve the value of the Collateral and the realizable value thereof."

23. In the Monitor's view, as a result of the foregoing and in the current circumstances, there is now no prospect of the Applicant's business continuing as a going concern and a liquidation of the Applicant's assets is inevitable.

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24. The Monitor has been in discussions with the Applicant, Mr. Burdzy in his capacity as a secured creditor and the DIP Lender with a view to reaching a consensual approach to the liquidation, including determining what additional production might be completed for customers, if any, all subject to approval of the Court.

The Monitor respectfully submits to the Court this, its Sixth Report.

Dated this 23rd day of October, 2026.

Deloitte Restructuring Inc.
In its capacity as Monitor of
Freshstone Brands Inc.
and not in its personal or corporate capacity



Per: Nigel D. Meakin
Senior Vice President

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Deloitte.

APPENDIX A

The Notice of Event of Default

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NOTICE OF EVENT OF DEFAULT

THIS NOTICE OF EVENT OF DEFAULT (the "**Notice**") is delivered as of October 22, 2026.

TO: FRESHSTONE BRANDS INC., as Borrower (the "**Borrower**")

AND TO: DELOITTE RESTRUCTURING INC. as CCAA Monitor (the "**Monitor**")

FROM: GARRINGTON FINANCIAL SERVICES INC., as DIP Lender (the "**DIP Lender**")

RECITALS:

A. Reference is made to the DIP facility loan agreement dated as of June 8, 2026 between the Borrower and the DIP Lender, as amended by the first amendment on July 20, 2026 (as the same may be further extended, renewed, amended, supplemented, restated or otherwise modified from time to time, the "**DIP Loan Agreement**") pursuant to which the DIP Lender agreed to provide the DIP Facility to the Borrower.

B. Capitalized terms used and not defined herein shall have the meanings given to such terms in the DIP Loan Agreement.

C. Pursuant to Section 27(w) of the DIP Loan Agreement, an Event of Default shall have occurred if the Cash Flow Variance Report delivered by the Borrower to the DIP Lender discloses that the Borrower is not within the Permitted Variance in respect of any two consecutive one week reporting periods.

D. On October 21, 2026, the Applicant confirmed to the DIP Lender that an Event of Default had occurred under the DIP Credit Agreement. The Event of Default arose as a result of exceeding the Permitted Variance for two consecutive weeks as shown on the variance reports submitted to the DIP Lender on October 10, 2026, and October 17, 2026.

---

1. **Notice and 5 Day Notice**. This Notice is being delivered to the Borrower pursuant to, and in accordance with, the first sentence of Section 28 of the DIP Loan Agreement. And separately, this Notice is being delivered to the Borrower pursuant to, and in accordance with, the five (5) day written notice requirement contained in the second sentence of Section 28 of the DIP Loan Agreement

2. **Termination of DIP Facility Commitment.** The DIP Lender hereby elects to: (i) terminate the DIP Lender's commitment to make further Advances to the Borrower, (ii) set-off, consolidate or accelerate all amounts outstanding under the DIP Facility, and (ii) declare such amounts to be immediately due and payable without any applicable periods of grace.

3. **Protective Advances.** Notwithstanding the election set out in section 2 hereof, the DIP Lender reserves its rights to, in its sole and unfettered discretion, make such additional Advances from time to time and in such amounts as may, in consultation with the Monitor

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be determined by the DIP Lender to be necessary to protect and preserve the value of the Collateral and the realizable value thereof.

4. **Reservation of Rights and non-Waiver:** Upon the occurrence of an Event of Default, the DIP Lender may, subject to the Initial Order or, once issued, the Amended and Restated Initial Order, upon five (5) days' prior written notice to the Borrower and the Monitor:

(a) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Collateral;

(b) apply for a Court Order, on terms satisfactory to the Monitor and the DIP Lender, providing the Monitor with the power, in the name of and on behalf of the Borrower, to take all necessary steps in the CCAA Proceedings to realize on the Collateral;

(c) apply to the Court to exercise any other powers and rights of a secured creditor;

(d) exercise all such other rights and remedies available to the DIP Lender under this Agreement, the Court Orders and applicable Law; and/or

(e) apply to the Court for an order for the appointment of a trustee in bankruptcy of the Bor-rower.

The DIP Lender hereby reserves all of its rights and remedies under and in respect of the DIP Loan Agreement, Amended and Restated Initial Order and otherwise available to the DIP Lender at law, and this Notice does not constitute a waiver of any right, remedy, notice requirement or covenant of the Borrower under the DIP Loan Agreement.

IN WITNESS WHEREOF, the DIP Lender has executed and delivered this Notice as of the date first written above.

DIP LENDER:

GARRINGTON FINANCIAL SERVICES INC.

Per: Tammy Kemp

Name: Tammy Kemp
Title: President

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, C. C 36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

Court File No.: CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SIXTH REPORT OF THE MONITOR

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Lawyers for the Monitor

Docusign Envelope ID: 14E6E643-9524-8D14-81D9-0D6E0B9A184D

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE AND ARRANGEMENT OF
FRESHSTONE BRANDS INC.

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF TAMMY KEMP

(sworn November 5, 2026)

DLA PIPER (CANADA) LLP
333 Bay Street, 51st Floor
Toronto, Ontario M5H 2R2

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Lawyers for Garrington Financial Services Inc.

TAB 4

Court File No.: CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	TUESDAY, THE 10TH
	)	
JUSTICE KOEHNEN	)	DAY OF NOVEMBER, 2026

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARANGEMENT OF FRESHSTONE BRANDS INC.

ORDER
(Receiver Appointment Order)

THIS MOTION made by Garrington Financial Services Inc. (the "**DIP Lender**" or "**Garrington**") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the **"BIA"**) appointing Deloitte Restructuring Inc. (**"Deloitte"**), as receiver (in such capacity, the **"Receiver"**) without security, of all of the assets, undertakings and properties of Freshstone Brands Inc. (the **"Debtor"** or **"Freshstone"**) acquired for, or used in relation to a business carried on by Freshstone, including all proceeds thereof, was heard this day by Zoom video conference.

ON READING the affidavit of Tammy Kemp sworn November 5, 2026, and the Exhibits thereto, the Seventh Report of Deloitte in it capacity as monitor of Freshstone (in such capacity, the "**Monitor**") dated November 6, 2026, and on reading the consents of Freshstone and the Monitor to the lifting of the stay of proceedings, and the consent of Freshstone to the granting of this Order, filed, and on hearing the submissions of counsel for Garrington, counsel to the Monitor, and such other counsel that were present and who are identified on the counsel slip, no else

appearing although duly served as appears from the lawyers certificate of service filed, and on reading the consent of Deloitte to act as Receiver.

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms shall have the meaning given to them in the Amended and Restated Initial Order dated June 18, 2026 ("**ARIO**").

APPOINTMENT

3. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA, Deloitte is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, acquired for, or used in relation to a business or businesses carried on by the Debtor, including all proceeds thereof (the **"Property"**).

RECEIVER'S POWERS

4. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property, or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

i) without the approval of this Court in respect of; (a) any bulk transaction involving the sale of raw material, input materials and ingredients, work in process inventory, or finished product inventory of Freshstone (collectively, "**Inventory**"); and (b) any transaction for Property, other than Inventory, not exceeding $250,000 provided that the aggregate consideration for all such transactions does not exceed $500,000; and

ii) with the approval of this Court in respect of any transaction involving Property other than Inventory in which the purchase price or the aggregate purchase price exceeds the applicable amounts set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, shall not be required;

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have;

(r) to terminate agreements to which the Debtor is party where the Receiver considers it necessary or advisable to do so;

(s) to abandon any of the Property which the Receiver determines would be uneconomic to realize or if the Receiver is unable to secure sufficient funding to undertake the realization of such Property;

(t) to donate any of the Property consisting of perishable Inventory to food banks, charities or any other parties as the Receiver considers advisable to do so in its sole discretion; and

(u) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being **"Persons"** and each being a **"Person"**) shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

6. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information and cloud based data of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the

"Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer, in a cloud, or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

8. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a **"Proceeding"**), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

10. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration, preservation or perfection of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. **THIS COURT ORDERS** that all Persons having oral or written agreements (including, but not limited to purchase orders) with the Debtor, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor's current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

14. **THIS COURT ORDERS** that the Receiver shall be entitled, but not obligated, to continue to utilize the cash management system of the Debtor that was in place immediately prior to these receivership proceedings or replace it with another cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use of application by the Receiver of funds transferred, paid, collected or otherwise dealt with in the Cash Management System.

15. **THIS COURT ORDERS** that, if and to the extent the Receiver is obligated to pay occupation rent in respect of any leased premises, such occupation rent may be by paid by the Receiver in not less than semi-monthly equal payments on the first and fifteenth day of each month, in advance (but not in arrears), for the period commencing from and including the date on which the Receiver is first obligated to pay occupation rent in respect of such premises (the **"Occupation Date"**). On the date of the first of such rent payments, any occupation rent relating to the period commencing from and including the Occupation Date, if any, shall also be paid.

16. **THIS COURT ORDERS** that in the event that an account for the supply of goods and/or services is transferred from the Debtor to the Receiver, or is otherwise established in the Receiver's name, no Person, including but not limited to a utility service provider, shall assess or otherwise require the Receiver to post a security deposit as a condition to the transfer/establishment of the account.

RECEIVER TO HOLD FUNDS

17. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the **"Post Receivership Accounts"**) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with paragraph 28 of this Order or any further Order of this Court.

EMPLOYEES

18. **THIS COURT ORDERS** that all employees of the Debtor as of the date of this Order shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act.*

PIPEDA

19. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete

one or more sales of the Property (each, a **"Sale"**). Each prospective purchaser or bidder 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 of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

20. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, **"Possession"**) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the **"Environmental Legislation"**), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

21. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order

shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

22. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the **"Receiver's Charge"**) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA. Notwithstanding any other provision of this Order, the Administration Charge, the DIP Lender's Charge and Directors' Charge ordered in the ARIO (collectively, the "**Existing Charges**") are hereby continued, shall remain in full force and effect notwithstanding the making of this Order, and shall not be released, discharged, subordinated, save and except as set out in paragraph 27 of this Order, or further Order of the Court.

23. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

24. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

25. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow:

(a) by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $2,500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures (the "**Receiver's Borrowings**") . The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **"Receiver's Borrowings Charge"**) as security for the payment of the Receiver's Borrowings, together with interest and charges thereon. The Receiver's Borrowings from time to time under this Order shall be evidenced by sequentially issued and numbered Receiver's Certificates, substantially in the form annexed as **Schedule "A"** hereto (the **"Receiver's Certificates"**), and each Receiver's Certificate so issued by the Receiver shall rank subordinate in right of payment and benefit of the Receiver's Borrowings Charge to all Receiver's Certificates previously issued by the Receiver (and for greater certainty shall rank in priority to all subsequently issued Receiver's Certificates issued). Subject to the priorities set out in paragraph 27 below, the Receiver's Borrowing Charge shall rank in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate to the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

26. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without the written consent of the Receiver or leave of this Court.

PRIORITY OF CHARGES

27. **THIS COURT ORDERS** that the priorities of the Receiver's Charge, the Receiver's Borrowing Charge and the Existing Charges (collectively, the "**Charges"),** as among them, shall be as follows:

First – The Receiver's Charge;

Second - The Administration Charge (to the maximum amount of $650,000);

Third – The DIP Lender's Charge;

Fourth – The Receiver's Borrowings Charge; and

Fifth – The Directors' Charge (to the maximum amount of $2,000,000).

28. **THIS COURT ORDERS** that, for greater certainty, the Receiver is hereby authorized and empowered, but no obligated, to make payments from time to time of amounts secured by the Receiver's Charge, the Administration Charge, the DIP Lender's Charge and the Receiver's Borrowing Charge, subject to such reserves that the Receiver may determine in its sole discretion.

SERVICE AND NOTICE

29. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the **"Guide"**) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: To be inserted.

30. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Guide is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

31. **THIS COURT ORDERS** that the Debtor and the Receiver and their respective counsel are at liberty to serve or distribute this Order and any other orders, applications, correspondence, notices or other materials that are reasonably required in these proceedings, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of section 3(c) of the *Electronic Commerce Protection Regulations*, SOR/2013-221.

GENERAL

32. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

33. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

34. **THIS COURT HEREBY REQUESTS** the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order

35. **THIS COURT ORDERS** that the Receiver be at liberty and is 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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

36. **THIS COURT ORDERS** that the DIP Lender shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the DIP Loan Agreement and with the priority of the DIP Lender's Charge.

37. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

_____

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that Deloitte Restructuring Inc., the receiver (in such capacity, the **"Receiver"**), without security, of the assets, undertakings and properties of Freshstone Brands Inc. (the **"Debtor"**), including all proceeds thereof (collectively, the **"Property"**); appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the **"Court"**) dated the ___ day of _____, 2026 (the **"Order"**) made in Court file number CL-26-00000265-0000, has received as such Receiver from the holder of this certificate (the **"Lender"**) the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, secured by a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority and ranking of previously issued certificates and other of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, including the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

DELOITTE RESTRUCTURING INC, solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

Court File No: **CL-26-00000265-0000**

IN THE MATER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.CS.C. 1985 c C-36 AS AMENDED

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Receiver Appointment Order)

DLA PIPER (CANADA) LLP
333 Bay Street Suite 5100
Bay Adelaide Centre West Tower
Toronto, ON M5H 2R2

Edmond Lamek (LSO #33338U)
Tel: 416-365-3444
Email: edmond.lamek@dlapiper.com

Lawyers for the DIP Lender, Garrington Financial Services Inc.

TAB 5

Court File No.: CL-26-00000265-0000

~~Revised: January 21, 2014~~

~~s.243(1) BIA (National Receiver) and s. 101 CJA (Ontario) Receiver~~

~~Court File No. ____~~

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE ~~—~~	)	~~WEEKDAY~~TUESDAY, THE ~~#~~ 10TH
	)	
JUSTICE ~~—~~KOEHNEN	)	DAY OF ~~MONTH~~NOVEMBER,
		~~20YR~~2026

~~**PLAINTIFF**~~[1]

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

~~Plaintiff~~

~~- and -~~

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARANGEMENT OF FRESHSTONE BRANDS INC.

~~**DEFENDANT**~~

~~Defendant~~

ORDER

(~~appointing~~ Receiver Appointment Order)

THIS MOTION made by ~~the Plaintiff~~[2] Garrington Financial Services Inc. (the "**DIP Lender**" or "**Garrington**") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the ~~"~~"**BIA**~~") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA"~~"**)** appointing ~~[RECEIVER'S~~

~~[1] The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

~~[2] Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

~~NAME]~~Deloitte Restructuring Inc. (**"Deloitte"**), as receiver ~~[and manager]~~ (in such capacit~~ies~~y, the ~~"~~**"Receiver"~~"**) without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME] (the "~~Freshstone Brands Inc. (the **"Debtor"** or **"Freshstone"**) acquired for, or used in relation to a business carried on by ~~the Debtor~~Freshstone, including all proceeds thereof, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~by Zoom video conference.

ON READING the affidavit of ~~[NAME]~~Tammy Kemp sworn ~~[DATE]~~November 5, 2026, and the Exhibits thereto, the Seventh Report of Deloitte in it capacity as monitor of Freshstone (in such capacity, the "**Monitor**") dated November 6, 2026, and on reading the consents of Freshstone and the Monitor to the lifting of the stay of proceedings, and the consent of Freshstone to the granting of this Order, filed, and on hearing the submissions of counsel for ~~[NAMES], no one appearing for [NAME]~~Garrington, counsel to the Monitor, and such other counsel that were present and who are identified on the counsel slip, no else appearing although duly served as appears from the ~~affidavit~~lawyers certificate of service ~~of [NAME] sworn [DATE]~~filed, and on reading the consent of ~~[RECEIVER'S NAME]~~Deloitte to act as ~~the~~ Receiver~~,~~.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of ~~Motion~~Application and the ~~Motion~~Application is hereby abridged and validated[3] so that this ~~motion~~Application is properly returnable today and hereby dispenses with further service thereof.

2. **THIS COURT ORDERS** that unless otherwise indicated or defined herein, capitalized terms shall have the meaning given to them in the Amended and Restated Initial Order dated June 18, 2026 ("**ARIO**").

~~[3] If service is effected in a manner other than as authorized by the Ontario *Rules of Civil Procedure*, an order validating irregular service is required pursuant to Rule 16.08 of the *Rules of Civil Procedure* and may be granted in appropriate circumstances.~~

~~DOCSTOR: 1771742\9~~

APPOINTMENT

3. ~~2.~~ **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA ~~and section 101 of the CJA, [RECEIVER'S NAME]~~, Deloitte is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor, acquired for, or used in relation to a business or businesses carried on by the Debtor, including all proceeds thereof (the ~~"~~**"Property"**).

RECEIVER'S POWERS

4. ~~3.~~ **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

(a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

(b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

(c) to manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage, consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property, or the Receiver, and to settle or compromise any such proceedings.[4] The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

i) (i) without the approval of this Court in respect of; (a) any bulk transaction involving the sale of raw material, input materials and ingredients, work in process inventory, or finished product inventory of Freshstone (collectively, "**Inventory**"); and (b) any transaction for Property, other than Inventory, not exceeding $_____,250,000

[4] This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.

provided that the aggregate consideration for all such transactions does not exceed $~~———~~500,000; and

ii) ~~(ii)~~ with the approval of this Court in respect of any transaction involving Property other than Inventory in which the purchase price or the aggregate purchase price exceeds the applicable amounts set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act,* ~~[or section 31 of the Ontario *Mortgages Act*, as the case may be,]~~[5]shall not be required~~, and in each case the Ontario *Bulk Sales Act* shall not apply.~~;

(l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

(m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

~~[5] If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; ~~and~~

(r) to terminate agreements to which the Debtor is party where the Receiver considers it necessary or advisable to do so;

(s) to abandon any of the Property which the Receiver determines would be uneconomic to realize or if the Receiver is unable to secure sufficient funding to undertake the realization of such Property;

(t) to donate any of the Property consisting of perishable Inventory to food banks, charities or any other parties as the Receiver considers advisable to do so in its sole discretion; and

(u) ~~(r)~~ to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. ~~4.~~ **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being ~~"~~"**Persons**~~"~~") and each being a ~~"~~"**Person**~~"~~") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

6. ~~5.~~ **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting

records, and any other papers, records and information and cloud based data of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the "~~"~~**Records**~~"~~") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph ~~5~~6 or in paragraph ~~6~~7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. ~~6.~~ **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer, in a cloud, or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

8. ~~7.~~ **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver~~'~~'s intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver~~'~~'s entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as

agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

9. ~~8.~~ **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "~~"~~**Proceeding**~~"~~"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

10. ~~9.~~ **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtor or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtor or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

11. ~~10.~~ **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "~~"~~"eligible financial contract~~"~~" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration, preservation or perfection of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

12. ~~11.~~ **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract,

agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

13. ~~12.~~ **THIS COURT ORDERS** that all Persons having oral or written agreements (including, but not limited to purchase orders) with the Debtor, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtor are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtor~~'~~'s current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

14. **THIS COURT ORDERS** that the Receiver shall be entitled, but not obligated, to continue to utilize the cash management system of the Debtor that was in place immediately prior to these receivership proceedings or replace it with another cash management system (the "**Cash Management System**") and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use of application by the Receiver of funds transferred, paid, collected or otherwise dealt with in the Cash Management System.

15. **THIS COURT ORDERS** that, if and to the extent the Receiver is obligated to pay occupation rent in respect of any leased premises, such occupation rent may be by paid by the Receiver in not less than semi-monthly equal payments on the first and fifteenth day of each month, in advance (but not in arrears), for the period commencing from and including the date

on which the Receiver is first obligated to pay occupation rent in respect of such premises (the **"Occupation Date"**). On the date of the first of such rent payments, any occupation rent relating to the period commencing from and including the Occupation Date, if any, shall also be paid.

16. **THIS COURT ORDERS** that in the event that an account for the supply of goods and/or services is transferred from the Debtor to the Receiver, or is otherwise established in the Receiver's name, no Person, including but not limited to a utility service provider, shall assess or otherwise require the Receiver to post a security deposit as a condition to the transfer/establishment of the account.

RECEIVER TO HOLD FUNDS

17. ~~13.~~ **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**"Post Receivership Accounts"**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with ~~the terms~~paragraph 28 of this Order or any further Order of this Court.

EMPLOYEES

18. ~~14.~~ **THIS COURT ORDERS** that all employees of the Debtor as of the date of this Order shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act.*

PIPEDA

19. ~~15.~~ **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a ~~"~~"**Sale**~~"~~") . Each prospective purchaser or bidder 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 of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

20. ~~16.~~ **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, ~~"~~"**Possession**~~"~~") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the Ontario *Environmental Protection Act*, the *Ontario Water Resources Act*, or the Ontario *Occupational Health and Safety Act* and regulations thereunder (the ~~"~~"**Environmental Legislation**~~"~~"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER~~'~~'S LIABILITY

21. ~~17.~~ **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

22. ~~18.~~ **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the ~~"~~**"Receiver's Charge"**) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings~~, and~~ that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.[6] Notwithstanding any other provision of this Order, the Administration Charge, the DIP Lender's Charge and Directors' Charge ordered in the ARIO (collectively, the "**Existing Charges**") are hereby continued, shall remain in full force and effect notwithstanding the making of this Order, and shall not be released, discharged, subordinated, save and except as set out in paragraph 27 of this Order, or further Order of the Court.

23. ~~19.~~ **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal

~~[6] Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

24. ~~20.~~ **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

25. ~~21.~~ **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow:

(a) by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $~~———~~2,500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures (the "**Receiver's Borrowings**") . The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the ~~"~~"**Receiver's Borrowings Charge**~~"~~") as security for the payment of the ~~monies borrowed~~Receiver's Borrowings, together with interest and charges thereon~~,~~. The Receiver's Borrowings from time to time under this Order shall be evidenced by sequentially issued and numbered Receiver's Certificates, substantially in the form annexed as **Schedule "A"** hereto (the **"Receiver's Certificates"**), and each Receiver's Certificate so issued by the Receiver shall rank subordinate in right of payment and benefit of the Receiver's Borrowings Charge to all Receiver's Certificates previously issued by the Receiver (and for greater certainty shall rank in priority to all subsequently issued Receiver's Certificates issued). Subject to the priorities set out in paragraph 27 below, the Receiver's Borrowing Charge shall rank in priority to all security interests, trusts, liens, charges and encumbrances, statutory or

otherwise, in favour of any Person, but subordinate ~~in priority~~ to the ~~Receiver's Charge and the~~ charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

26. ~~22.~~ **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without the written consent of the Receiver or leave of this Court.

PRIORITY OF CHARGES

27. **THIS COURT ORDERS** that the priorities of the Receiver's Charge, the Receiver's Borrowing Charge and the Existing Charges (collectively, the "**Charges"),** as among them, shall be as follows:

First – The Receiver's Charge;

Second - The Administration Charge (to the maximum amount of $650,000);

Third – The DIP Lender's Charge;

Fourth – The Receiver's Borrowings Charge; and

Fifth – The Directors' Charge (to the maximum amount of $2,000,000).

~~23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "Receiver's Certificates") for any amount borrowed by it pursuant to this Order.~~

28. ~~24.~~ **THIS COURT ORDERS** that ~~the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.~~, for greater certainty, the Receiver is hereby authorized and empowered, but no obligated, to make payments from time to time of amounts secured by the Receiver's Charge, the Administration Charge, the DIP Lender's Charge and the Receiver's Borrowing Charge, subject to such reserves that the Receiver may determine in its sole discretion.

SERVICE AND NOTICE

29. ~~25.~~ **THIS COURT ORDERS** that the E-Service ~~Protocol~~Guide of the Commercial List (the **"~~Protocol~~Guide"**) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the ~~Protocol~~Guide (which can be found on the Commercial List website at ~~http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/~~https://www.ontariocourts.ca/scj/files/guides/the-guide-concerning-commercial-list-e-service-en.pdf) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure.* Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 21 of the ~~Protocol~~Guide, service of documents in accordance with the ~~Protocol~~Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the ~~Protocol~~Guide with the following URL ~~'<@>'~~: To be inserted.

30. ~~26.~~ **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the ~~Protocol~~Guide is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor~~!~~'s creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

31. **THIS COURT ORDERS** that the Debtor and the Receiver and their respective counsel are at liberty to serve or distribute this Order and any other orders, applications, correspondence, notices or other materials that are reasonably required in these proceedings, by forwarding true copies thereof by electronic message to the Debtor's creditors or other interested parties and their advisors. Any such distribution or service shall be deemed to be in satisfaction of a legal or

juridical obligation, and notice requirements within the meaning of section 3(c) of the *Electronic Commerce Protection Regulations*, SOR/2013-221.

GENERAL

32. ~~27.~~ **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

33. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

34. ~~29.~~ **THIS COURT HEREBY REQUESTS** the aid and recognition of other Canadian an~~y~~d foreign ~~c~~Court~~s~~, tribunal, regulatory or administrative ~~body having jurisdiction in Canada or~~bodies, including any Court or administrative tribunal of any federal or State Court or administrative body in the United States ~~to give effect to this Order and to assist the Receiver and its agents~~of America, to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Receiver in any foreign proceeding, or to assist the Receiver and its agents in carrying out the terms of this Order~~.~~

35. ~~30.~~ **THIS COURT ORDERS** that the Receiver be at liberty and is 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, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

36. ~~31.~~ **THIS COURT ORDERS** that the ~~Plaintiff~~DIP Lender shall have its costs of this ~~motion~~Application, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff's security or, if not so provided by the Plaintiff's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at~~

~~such time as this Court may determine.~~DIP Loan Agreement and with the priority of the DIP Lender's Charge.

37. ~~32.~~ **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

SCHEDULE "A"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT $_____

1. THIS IS TO CERTIFY that [RECEIVER'S NAME]Deloitte Restructuring Inc., the receiver (in such capacity, the "**Receiver**"), without security, of the assets, undertakings and properties [DEBTOR'S NAME] acquired for, or used in relation to a business carried on by the of Freshstone Brands Inc. (the "**Debtor**"), including all proceeds thereof (collectively, the "**Property**"); appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of _____, 20__2026 (the "**Order**") made in an action having Court file number ___CL-_____26-00000265-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of $_____, being part of the total principal sum of $_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, secured by a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority and ranking of previously issued certificates and other of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, andincluding the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the _____ day of _____, 20__.

[RECEIVER'S NAME]DELOITTE RESTRUCTURING INC, solely in its capacity
- as Receiver of the Property, and not in its personal capacity

Per: _____

Name:
Title:

Court File No: **CL-26-00000265-0000**

IN THE MATER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.CS.C. 1985 c C-36 AS AMENDED

IN THE MATTER OF THE PLAN OF COMPROMISE OR ARRANGEMNET OF FRESHSTONE BRANDS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

ORDER
(Receiver Appointment Order)

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Summary report: Litera Compare for Word 11.12.0.83 Document comparison done on 11/5/2026 11:36:14 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original DMS: iw://cloudimanage.com/firmdocs/63519160/1 - Model Receivership Order.doc	
Modified DMS: iw://cloudimanage.com/firmdocs/63635889/1 - CCAA Receivership Order - Nov 4 final.docx	
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Add	217
~~Delete~~	187
~~Move From~~	2
Move To	2
Table Insert	1
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Table moves to	0
~~Table moves from~~	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	409

Court File No.: CL-26- 0000265-0000

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985 c. C-36 as amended

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF FRESHSTONE BRANDS INC.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

MOTION RECORD
(RETURNABLE NOVEMBER 10, 2026)

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