Deloitte.

Court File No. CL-26-00000265-0000

IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF

FRESHSTONE BRANDS INC.

THIRD REPORT TO THE COURT

SUBMITTED BY DELOITTE RESTRUCTURING INC.,

IN ITS CAPACITY AS MONITOR

SEPTEMBER 15, 2026

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.

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

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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**".

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 (the "**SISP 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 (in such capacity the "**Investor**"), and authorizing the use of the Subscription Agreement as the "stalking horse bid" in the SISP; and

(c) Authorizing the Applicant to engage GlassRatner Advisory Canada Inc. ("**GR**") as the Applicant's sale advisor (in such capacity, the "**Sale Advisor**") pursuant to the terms of an engagement agreement dated June 5, 2026.

5. The purpose of this, the Third Report of the Monitor (the "**Report**") is to provide information and the Monitor's recommendations to the Court on the following:

(a) The Applicant's receipts and disbursements in the period from August 16 to September 5, 2026;

(b) The Applicant's revised cash flow forecast for the period September 6 to November 28, 2026 (the "**September 10 Forecast**");

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

(c) The results of the SISP;

(d) The Applicant's motion for an Order (the "A**RVO**"), *inter alia*:

(i) Approving the Subscription Agreement and the transactions contemplated therein (the "**Transactions**");

(ii) Adding 9576-0203 Québec Inc. ("**ResidualCo1**") and 9576-0385 Québec Inc. ("**ResidualCo2**") or any entity resulting from their amalgamation of them ("**Amalco**", and together with ResidualCo1 and ResidualCo2, the "**ResidualCos**") as applicants in, or parties subject to, the CCAA Proceedings;

(iii) Transferring and vesting all of the Applicant's rights, title and interest in and to the Excluded Assets (as defined in the Subscription Agreement) to and in ResidualCo1;

(iv) Transferring and vesting all of the Applicant's rights, title and interest in and to the Excluded Liabilities, Excluded Contracts, Excluded Employees and Excluded Employee Plans (each as defined in the Subscription Agreement) to and in ResidualCo2;

(v) Vesting in and to the Investor all right, title and interest in and to the Subscription Shares free and clear of any Claims and Encumbrances (each as defined in the Subscription Agreement);

(vi) Expanding the powers of the Monitor to assist the Applicant and the Investor to close and implement the Transactions and authorizing and empowering the Monitor to do all things reasonably necessary in connection therewith, including to make certain distributions from the cash consideration to be received and held by the Monitor in connection with the Transactions (the "**CCAA Distributions**") and to exercise any powers which may be properly exercised by any board of directors of the ResidualCos;

(vii) Granting a release in favour of the directors and officers of the Applicant (the "**D&O Release**"); and

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

(e) The Applicant's motion for an Order (the "**WEPPA Order**") declaring, *inter alia*, that ResidualCo2 and Amalco, as applicable, is a former employer as contemplated in subparagraph 5(1)(b)(iv) of the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1 ("**WEPPA**") and meets the criteria prescribed by section 3.2 of the *Wage Earner Protection Program Regulations*, SOR/2008-222.

SECTION B - TERMS OF REFERENCE

6. 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**").

7. 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

(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*.

8. The Monitor has prepared this Report in connection with the Applicant's motions for the granting of the ARVO and the WEPPA Order, and the Monitor's motion for the granting of the CCAA Termination Order currently returnable on October 2, 2026 (collectively, the "**October 2 Motions**"), and it should not be relied on for any other purpose.

9. 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.

10. 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 First Report, the ARIO, the SISP Order (including the SISP Procedures appended thereto) or the Subscription Agreement, as applicable.

SECTION C - EXECUTIVE SUMMARY

THE SISP

11. No letters of intent were received by the LOI Deadline. Accordingly, the Subscription Agreement was declared to be the Successful Bid in accordance with the SISP Procedures. Furthermore, no letters of intent have been received subsequent to the LOI Deadline.

THE ARVO

12. In summary, in the Monitor's view:

(a) The process, which was approved by the Court, leading to the proposed Transactions was reasonable in the circumstances;

(b) The Subscription Agreement provides a vastly superior result for creditors with Retained Liabilities than would a liquidation of the assets of the Applicant. While creditors with claims which are Excluded Liabilities will have no recovery under the Transactions, they also have no prospect of recovery under any other alternative currently available;

(c) The consideration under the Subscription Agreement is fair and reasonable in the circumstances and is higher than could be realized in a liquidation, which is currently the only available alternative to the Transactions;

(d) The completion of the Transactions pursuant to the Subscription Agreement is in the best interests generally of the creditors of the Applicant and its other stakeholders and will provide, among other things, the benefit of ongoing employment for over 200 employees, ongoing business opportunities for suppliers of goods and services and continuation of supply to customers without the potential issues and delays that may be caused from having to source alternate supply and, for those parties with Retained Contracts or Retained Liabilities, an ongoing obligation for those on the part of the Applicant;

(e) The RVO structure is reasonable, justified and appropriate in the circumstances; and

(f) The addition of the ResidualCos as applicants in, or parties subject to, the CCAA Proceeding is reasonable, justified and appropriate in the circumstances;

(g) The expansion of the Monitor's powers is reasonable, justified and appropriate in the circumstances;

(h) The D&O Release is reasonable and justified in the circumstances; and

(i) Circumstances exist that make the proposed extension of the Stay Period appropriate, creditors of the Applicant generally would not be materially prejudiced by the proposed extension of the Stay Period and since the commencement of the CCAA Proceedings the Applicant has acted, and is acting, in good faith and with due diligence.

13. The Monitor therefore respectfully recommends that the Court grant the Applicant's request for the ARVO.

THE WEPPA ORDER

14. In summary, in the Monitor's view:

(a) Employee Creditors (as defined later in this Report) should not be prejudiced by the mechanism utilized to approve and complete the Transactions;

(b) The WEPPA Order is necessary to enable Employee Creditors to be eligible to make claims under WEPPA if the ARVO is granted; and

(c) The WEPPA Order is consistent with similar orders granted by the Court in other proceedings under the CCAA.

15. Accordingly, the Monitor is supportive of the Applicant's request for the granting of the WEPPA Order and respectfully recommends that it be granted by the Court.

SECTION D - RECEIPTS AND DISBURSEMENTS TO SEPTEMBER 5, 2026

16. The Applicant's actual cash flow for the period from August 16 to September 5, 2026, as compared to the August 17 Forecast is summarized below:

	Forecast $000	Actual $000	Variance $000
Receipts	**2,686**	**3,122**	**436**
Disbursements:			
Vendor payments	(1,748)	(1,923)	(175)
Payroll & benefits	(599)	(662)	(63)
Occupancy costs	(171)	(58)	113
Other operating expenses	(268)	(266)	2
DIP Lender fees & expenses	0	0	0
Professional fees (incl. HST)	(282)	(321)	(39)
Net Cash Inflow/(Outflow)	**(382)**	**(108)**	**274**
Beginning Cash Balance	173	173	0
Net Cash Inflow/(Outflow)	(382)	(108)	274
Net DIP draws/(repayments)	860	1,136	276
Ending Cash Balance	**651**	**1,201**	**550**
Opening DIP Balance	**934**	**1,009**	**(75)**
Aggregate DIP draws	3,546	3,992	(446)
Aggregate DIP repayments	(2,686)	(3,085)	399
DIP interest & fees	20	28	(8)
Closing DIP Balance	**1,814**	**1,944**	**(130)**

17. Explanations for the key variances in actual receipts and disbursements as compared to the August 17 Forecast are as follows:

(a) The favourable variance of approximately $0.4 million in receipts is a permanent variance arising from higher than forecast sales;

(b) The unfavourable variance of approximately $0.2 million in vendor payments is a permanent variance arising from higher than forecast raw material purchases; and

(c) The favourable variance of approximately $0.1 million in occupation costs is a timing variance in respect of property tax payments.

SECTION E - THE SEPTEMBER 10 FORECAST

18. The September 10 Forecast is attached hereto as **Appendix A**[2]. Excluding advances and repayments made under the DIP Facility, the September 10 Forecast shows a net cash inflow of approximately $0.4 million for the period September 6 to November 28, 2026, and is summarized below:

	$000
Receipts	**10,360**
Disbursements:	
Vendor payments	(4,724)
Payroll & benefits	(3,771)
Occupancy costs	(408)
Other operating expenses	(580)
Professional fees (incl. HST)	(500)
Net Cash Inflow/(Outflow)	**377**
Beginning Cash Balance	1,201
Net Cash Inflow/(Outflow)	377
Net DIP draw/(repayment)	(928)
Ending Cash Balance	**650**
Opening DIP Balance	**1,944**
Aggregate DIP draws	9,182
Aggregate DIP repayments	(10,110)
DIP interest & fees	37
Closing DIP Balance	**1,053**

19. There are no material changes in the key assumptions underlying the September 10 Forecast as compared to the June 5 Forecast. The only significant change in the amounts included in the September 10 Forecast as compared to the August 17 Forecast is an increase in forecast receipts as a result of additional sales that have been made to various customers.

[2] The September 10 Forecast assumes status quo operations with no Closing of the Transactions.

SECTION F - THE RESULTS OF THE SISP

20. Following issuance of the SISP Order and in accordance with the SISP Procedures, the Applicant, with the assistance of the Sale Advisor, and in consultation with the Monitor:

(a) Compiled a Contact List of 139 Prospective Bidders, which Contact List included parties who, in the Applicant's reasonable business judgment may have been interested in acquiring the Property or any part thereof;

(b) Sent to each Prospective Bidder a Teaser Letter;

(c) Sent to the 28 Prospective Bidders that requested it, a form of Confidentiality Agreement;

(d) Negotiated and executed 27 Confidentiality Agreements with Potential Bidders, with one Prospective Bidder having decided not to execute a Confidentiality Agreement. There were no situations where the Applicant was unable to negotiate an acceptable form of Confidentiality Agreement with a Prospective Bidder wishing to obtain access to the Data Room; and

(e) Populated the Data Room and provided access to the 27 Prospective Bidders that executed a Confidentiality Agreement.

21. The LOI Deadline was 5:00 p.m. Toronto time on August 14, 2026. No LOIs were received either prior to or after the LOI Deadline. As a result, and in accordance with paragraph 17 of the SISP Procedures, the Subscription Agreement has been declared the Successful Bid.

SECTION G - THE ARVO

22. As noted above, the Subscription Agreement has been declared to be the Successful Bid in accordance with the SISP Procedures. Accordingly, the Applicant now seeks the issuance of the ARVO.

THE SUBSCRIPTION AGREEMENT

23. A copy of the Subscription Agreement, including the four amendments thereto that were agreed between the parties with the consent of the Monitor, is attached hereto as **Appendix B**. A summary of the Subscription Agreement follows and is provided for informational purposes only. Reference should be made directly to the Subscription Agreement for a complete understanding of its terms.

24. The Investor under the Subscription Agreement is Mr. Frank Burdzy. As described in the Burdzy Initial Affidavit, Mr. Burdzy, in his capacity as Noteholder[3], is a secured creditor of the Applicant and is its Chief Executive Officer.

25. The Subscription Agreement is a "credit bid" which contemplates the Investor becoming the sole shareholder of the Applicant on closing through a "reverse vesting order" or "RVO" structure. The Investor wishes for the RVO structure to be used in order to avoid the potential issues and/or delays in obtaining new permits and/or licences that would otherwise be necessary to continue the Applicant's business, obtaining consents or an order to assign contracts and to preserve significant tax attributes of the Applicant which would otherwise be lost.

26. The Subscription Price for the Subscription Shares to be issued to the Investor on Closing is an amount equal to the aggregate of:

(a) The Credit Bid Amount, being an amount equal to the outstanding amount of the Credit Bid Notes;

(b) An amount equal to the Priority Payables;

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[3] As noted in its Pre-Filing Report dated June 8, 2026, the Monitor has been provided the independent Security Opinion which, subject to the customary assumptions, qualifications and limitations, concludes that the Noteholder has a valid security interest in the personal property of the Applicant which has been properly perfected by registration.

(c) An amount equal to the Administrative Reserve Amount to pay the estimated fees and expenses of completing the CCAA Proceedings and the receivership, bankruptcy or wind-up of the ResidualCos; and

(d) The amount of the Retained Liabilities, including for certainty the Retained Note and an amount equal to the Cure Costs.

27. The Subscription Price shall be paid and satisfied in full at Closing as follows:

(a) The Credit Bid Amount shall be satisfied by way of a credit against, set-off of and in satisfaction of the Credit Bid Notes;

(b) The outstanding DIP Obligations, the Priority Payables, the Administrative Reserve Amount and the Known Cure Costs will be paid in cash; and

(c) The Retained Liabilities, including any Cure Costs that are not Known Cure Costs, shall be retained and discharged in accordance with their terms.

28. Pursuant to the Subscription Agreement, all contracts and agreements will be Excluded Contracts unless specifically designated as Retained Contracts as specifically set out in Schedule 1.1.61 thereto.

29. Excluded Liabilities under the Subscription Agreement consist of all Liabilities of the Issuer other than the Retained Liabilities.

30. Retained Liabilities consist of:

(a) All Liabilities arising under the Retained Contracts to the extent first arising and relating to the period on or after the Closing Time, and any Cure Costs under such Retained Contracts which are not being paid on Closing as Known Cure Costs;

(b) All Liabilities to the extent first arising out of the operation of the Retained Assets for the periods on and after the Closing Time;

(c) All Liabilities of the Issuer relating to Retained Employees and/or the Retained Employee Plans;

(d) Any Liabilities arising after the granting of the Initial Order, other than any such Liabilities to be paid in cash on Closing;

(e) Any unremitted employee source deductions, vacation pay and other employee priority claims as at the Closing Time;

(f) Any unremitted GST/HST as at the Closing Time[4];

(g) The Retained Note, being all indebtedness, liabilities and obligations, including with interest earned thereon, and owing by the Issuer to the Investor pursuant to a secured promissory note dated June 4, 2026, in the principal amount of $2.75 million and the security granted in connection therewith; and

(h) Other liabilities secured by deemed trusts and statutory priority claims existing as at the Closing Time.

31. The Subscription Agreement does not provide for any "break-fee" or similar fee, but does provide for the Expense Reimbursement to reimburse the reasonable, documented, out-of-pocket costs and expenses of the Investor related to negotiating the Subscription Agreement up to a maximum amount of $50,000. The Expense Reimbursement is payable only from the proceeds of the closing of a transaction under the SISP where the Subscription Agreement is not the Successful Bid and therefore would not be payable if the Subscription Agreement is approved.

[4] For greater certainty, pursuant to the proposed ARVO, unremitted GST/HST would not include claims or potential claims which may be made pursuant to Section 296(1)(b) of the Excise Tax Act.

32. The Applicant will retain the Retained Assets, which shall be free and clear of all Encumbrances other than the Permitted Encumbrances, and the Retained Liabilities. On Closing, the Excluded Assets will be transferred to ResidualCo1 and the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans will be transferred to ResidualCo2 pursuant to the ARVO.

33. The Subscription Agreement contains a limited number of representations and warranties typical for a transaction of this nature.

34. The Target Closing Date is five Business Days immediately following the date upon which the Court grants the ARVO, or such other date as the Issuer, the Investor and the Monitor may mutually agree in writing, with the Outside Date being November 27, 2026.

35. The obligation of the Investor to complete the Transactions is subject to the satisfaction or waiver of the following conditions:

    (a) The Subscription Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures, which condition has been satisfied;

    (b) The ARVO shall have been issued by the Court and shall not have been vacated, set aside or stayed, and shall be final, definitive and executory;

    (c) During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final or non-appealable Order or Law which has the effect of making any of the Transactions contemplated by the Subscription Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;

(d) The steps scheduled to occur prior to the Closing Time in the Closing Sequence shall have occurred in accordance with the terms thereof and the ARVO;

(e) The Issuer shall have executed and delivered to the Investor at the Closing all the documents that are to be executed by the Issuer pursuant to the Subscription Agreement; and

(f) Each of the representations and warranties of the Issuer contained in the Subscription Agreement shall be true and correct in all material respects as of the Closing Date.

36. The obligation of the Issuer to complete the Transactions is subject to the satisfaction or waiver of the following conditions:

(a) The Subscription Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures, which condition has been satisfied;

(b) The ARVO shall have been issued and entered by the Court and shall not have been vacated, set aside or stayed, and shall be final, definitive and executory;

(c) During the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final and non-appealable Order or Law which has the effect of making any of the transactions contemplated by the Subscription Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;

(d) The Investor shall have executed and delivered to the Issuer at the Closing all the documents and payments that are to be made by the Investor pursuant to the Subscription Agreement;

(e) Each of the representations and warranties of the Investor contained in the Subscription Agreement shall be true and correct in all material respects as of the Closing Date; and

(f) The Investor shall have performed in all material respects all covenants, obligations and agreements contained in the Subscription Agreement required to be performed by the Investor on or before the Closing.

37. The Subscription Agreement may be terminated on or prior to the Closing Date:

(a) By the mutual written agreement of the Issuer, with the consent of the Monitor, and the Investor;

(b) By the Investor or the Issuer if the Subscription Agreement is not the Successful Bid;

(c) By the Investor or the Issuer:

(i) Upon the dismissal of the CCAA Proceedings;

(ii) Upon denial of the ARVO (provided that such decision has not been appealed by the Issuer or the Investor and the period to file any such appeal has expired);

(iii) If the transactions contemplated by this Agreement are not completed by the Outside Date; or

(iv) If it is required under any Order of a court of competent jurisdiction, including the Court;

(d) By the Investor, if the ARVO has, without the Investor's prior written consent, been stayed, vacated or materially varied and the period to appeal such stay, vacating or variation has expired, or by written notice from the Investor to the Issuer in accordance with Section 8.7 of the Subscription Agreement;

(e) By written notice from the Investor to the Issuer if there has been a material breach by the Issuer of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.1 of the Subscription Agreement impossible) or, if curable, has not been cured within ten (10) Business Days following written notice; or

(f) By written notice from the Issuer to the Investor if there has been a material breach by the Investor of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.2 of the Subscription Agreement impossible) or, if curable, has not been cured within ten (10) Business Days following written notice.

THE MONITOR'S COMMENTS AND RECOMMENDATION

APPROVAL OF THE SUBSCRIPTION AGREEMENT

Background

38. Section 36(1) of the CCAA states:

"36(1) **Restriction on disposition of business assets** - A debtor company in respect of which an order has been made under this Act may not sell or otherwise dispose of assets outside the ordinary course of business unless authorized to do so by a court. Despite any requirement for shareholder approval, including one under federal or provincial law, the court may authorize the sale or disposition even if shareholder approval was not obtained."

39. Section 36(3) of the CCAA states:

"(3) **Factors to be considered** - In deciding whether to grant the authorization, the court is to consider, among other things,

(a) whether the process leading to the proposed sale or disposition was reasonable in the circumstances;

(b) whether the monitor approved the process leading to the proposed sale or disposition;

(c) whether the monitor filed with the court a report stating that in their opinion the sale or disposition would be more beneficial to the creditors than a sale or disposition under a bankruptcy;

(d) the extent to which the creditors were consulted;

(e) the effects of the proposed sale or disposition on the creditors and other interested parties; and

(f) whether the consideration to be received for the assets is reasonable and fair, taking into account their market value."

40. Section 36(4) of the CCAA provides additional factors to be considered when a proposed sale is to a related party. Mr. Burdzy is a director and officer of the Applicant and is therefore a related party pursuant to section 36(5) of the CCAA. Section 36(4) of the CCAA states:

> "(4) If the proposed sale or disposition is to a person who is related to the company, the court may, after considering the factors referred to in subsection (3), grant the authorization only if it is satisfied that
>
> (a) good faith efforts were made to sell or otherwise dispose of the assets to persons who are not related to the company; and
>
> (b) the consideration to be received is superior to the consideration that would be received under any other offer made in accordance with the process leading to the proposed sale or disposition."

41. In his endorsement granting a reverse vesting order in the leading case of *Harte Gold Corp. (Re)*, 2022 ONSC 653 (the "**Harte Decision**"), the Honourable Mr. Justice Penny articulated that the following four questions should be addressed where it is proposed that a transaction proceed by way of a reverse vesting order:

(a) Why is the RVO necessary in this case?

(b) Does the RVO structure produce an economic result at least as favourable as any other viable alternative?

(c) Is any stakeholder worse off under the RVO structure than they would have been under any other viable alternative? and

(d) Does the consideration being paid for the debtor's business reflect the importance and value of the licences and permits (or other intangible assets) being preserved under the RVO structure?

42. Each of the foregoing considerations and questions are addressed by the Monitor below.

Reasonableness of the Process Leading to the Proposed Sale

43. The business and assets of the Applicant have been extensively marketed through the SISP.

44. The SISP was approved by the Court pursuant to the SISP Order and has been implemented in accordance with the SISP Procedures.

45. None of the Prospective Bidders has made any suggestion that the reason they did not submit an LOI was because of the conditions of the SISP or the adequacy of the information provided in the Data Room.

46. Accordingly, the Monitor is satisfied that the process leading to the proposed transaction was reasonable in the circumstances.

Monitor's Approval of the Process

47. The Monitor had a major role in the development of the SISP. The Monitor was involved in the negotiations that resulted in the execution of the Subscription Agreement. In addition, the Monitor has overseen the implementation of the SISP and is satisfied that it was carried out in accordance with the SISP Procedures.

48. At the request of the Monitor, Mr. Burdzy was not provided any information regarding the Prospective Buyers and was excluded from all discussions regarding the implementation and progress of the SISP in order to avoid any potential conflict of interest and any potential adverse influence on the SISP. Furthermore, the Board took an active and direct role in guiding the preparation of relevant materials, including the Contact List of Prospective Buyers, and implementation of the SISP.

Comparison with Sale in Bankruptcy

49. The Monitor has considered whether the completion of the Transactions pursuant to the Subscription Agreement would be more beneficial to creditors of the Applicant and the Applicant's stakeholders generally than a sale or disposition of the business and assets of the Applicant under a bankruptcy.

50. The options available for sale or disposition of the business and assets of the Applicant are the same regardless of whether such sale or disposition is carried out in the CCAA Proceedings or in a bankruptcy; that is, a going concern transaction for the business and assets or a liquidation of the assets.

51. The SISP has shown that the Subscription Agreement is the highest and best, and indeed only, offer available to preserve the business and assets of the Applicant as a going concern. As discussed later in this Report, the Monitor is satisfied that the consideration under the Subscription Agreement exceeds the net liquidation value of the Applicant's assets and that the approval and completion of the Transactions is in the best interests of the creditors of the Applicant and its stakeholders generally.

52. It is the Monitor's view that undertaking the sale in bankruptcy would delay and possibly jeopardize the approval and closing of the Transactions and would result in additional costs being incurred. Furthermore, a bankruptcy would likely jeopardize ongoing operations and the permits and licences necessary to maintain such operations.

53. Even if the Investor was prepared to continue with the Transactions in a bankruptcy, it would be necessary to first assign the Applicant into bankruptcy or obtain a Bankruptcy Order, carry on the business pending the first meeting of creditors (which may not be feasible), convene a meeting of creditors, appoint inspectors, obtain the approval of the inspectors for the Transactions, obtain the approval of the inspectors to carry on the business pending Court approval and closing, and obtain Court approval of the Transactions. Undertaking those steps would incur additional costs and risks.

54. Accordingly, it is the Monitor's view that a sale or disposition of the business and assets of the Applicant in a bankruptcy would very likely result in a lower recovery for stakeholders and would not be more beneficial than the closing of the Transactions in the CCAA Proceedings.

Consultation with Creditors

55. The secured creditors of the Applicant are the DIP Lender and Mr. Burdzy, as Noteholder. As the Court is aware, Mr. Burdzy is also the Investor. Both the DIP Lender and the Noteholder consented to the SISP Order.

56. Consistent with the approach typically taken in cases similar to the CCAA Proceedings, unsecured creditors were not consulted with respect to the negotiation of the Subscription Agreement or the development of the SISP Procedures.

57. The Monitor is of the view that the degree of creditor consultation has been appropriate in the circumstances. The Monitor does not consider that any material change in the outcome of efforts to sell the business and assets of the Applicant would have resulted from additional creditor consultation.

The Effect of the Proposed Sale on Creditors and Other Interested Parties

58. The Monitor is of the view that effect of the Transactions on creditors and other interested parties will in many cases be beneficial as it provides for:

(a) The retention and payment in full of the Retained Liabilities;

(b) Continued employment for over 200 employees[5];

(c) Ongoing business opportunities for suppliers of goods and services; and

[5] The final number will only be determined following the deadline for the designation of Excluded Employees, being five Business Days before Closing.

(d) Continuation of supply to customers without the potential issues and delays that may be caused from having to source alternate supply.

59. For the creditors with claims that are Excluded Liabilities and other stakeholders, the effect of the Transactions is not prejudicial as:

(a) There is no alternative going concern transaction available;

(b) Based on the estimated liquidation value discussed later in this Report, liquidation would provide no recovery to unsecured creditors;

(c) Provided that the WEPPA Order is granted, former employees that have already been terminated, or that are designated as Excluded Employees prior to Closing, should receive the same recovery under WEPPA as they would if the business and assets were sold in a traditional AVO structure or otherwise liquidated; and

(d) Equity holders would receive no consideration in any circumstance.

Fairness of Consideration

60. The business and assets of the Applicant have been extensively marketed through the SISP. As noted previously in this Report, no LOIs have been received and the Subscription Agreement is the Successful Bid under the SISP.

61. Accordingly, the only available alternative to the Transactions would be the liquidation of the Applicant's assets. In order to assess the fairness of the consideration under the Subscription Agreement as compared to a liquidation, the Monitor has prepared an estimate of the liquidation value of the assets (the "**Liquidation Analysis**").

62. As a component of the Liquidation Analysis, the Monitor engaged Corporate Asset Valuations, a well-known asset appraiser and liquidator, to provide an independent forced liquidation value appraisal of the Applicant's plant and equipment. The potential realizable value of other assets in a liquidation has been assessed based on the Monitor's knowledge and experience.

63. The conclusion of the Liquidation Analysis is that the net realizable value of the assets in a liquidation (the "**Liquidation Value**") is less than the aggregate of the secured claims[6]. Accordingly, in addition to the shortfall that would be suffered by the secured creditor, there would be no recovery for unsecured creditors in a liquidation[7].

64. The Subscription Price under the Subscription Agreement exceeds the Liquidation Value as it includes the Credit Bid Amount, the retention or payment of all Priority Payables and the retention or payment of the Retained Liabilities, including Cure Costs.

65. Accordingly, the Monitor is of the view that the consideration under the Subscription Agreement is fair and reasonable in the circumstances.

Good Faith Efforts to Sell

66. The SISP was undertaken by the Applicant with the assistance of the Sale Advisor under the oversight of the Monitor.

67. 139 Prospective Parties were contacted in the SISP. To the best of the Monitor's knowledge, none of those parties was a related party under section 36(5) of the CCAA.

[6] The details of the Liquidation Analysis have been maintained as confidential but will be made available to the Court if required.
[7] Other than for Employee Creditors with valid claims under WEPPA.

68. As noted earlier in this Report, at the request of the Monitor, Mr. Burdzy was not provided any information regarding the Prospective Buyers and was excluded from all discussions regarding the implementation and progress of the SISP in order to avoid any potential conflict of interest and any potential adverse influence on the SISP. Furthermore, the Board took an active and direct role in guiding the preparation of relevant materials, including the Contact List of Prospective Buyers, and implementation of the SISP.

69. Also as noted earlier in this Report, none of the Prospective Bidders has made any suggestion that the reason they did not submit an LOI was because of the conditions of the SISP or the adequacy of the information provided in the Data Room.

70. Nothing has come to the Monitor's attention that would suggest that the SISP was not carried out in good faith.

71. Accordingly, the Monitor is of the view that good faith efforts were made to sell or otherwise dispose of the assets to persons who are not related to the Applicant.

Is the Consideration Superior to Any Other Offer

72. As noted earlier in this Report, no LOIs were received in the SISP. The Subscription Agreement is the only offer received and therefore represents the highest consideration that would be received.

73. Furthermore, as described earlier in this Report, the Subscription Agreement provides for consideration greater than the only other available alternative, being a liquidation of the assets.

Is the RVO Structure Necessary?

74. The RVO structure in this case provides for three key areas of difference as compared to an AVO structure:

(a) It avoids the need to seek consents to assign or, if any such consents are refused, an assignment order under section 11.3 of the CCAA, in respect of the Retained Contracts;

(b) It avoids the need to obtain new permits and licenses that are necessary to continue the operations of the business; and

(c) It preserves the tax attributes which would be available to shelter future profits.

75. The schedule of Retained Contracts in the Subscription Agreement includes 24 specific Contracts and two general categories of unspecified Contracts, being:

(a) All active customer Contracts currently in existence save and except for any Contracts with the Campbell's Company; and

(b) All active supplier Code of Conduct agreements and ancillary documents currently in existence.

76. Given the limited number of specific Retained Contracts, seeking consents to assign and, if necessary, obtaining an assignment order, for those is not an insurmountable problem, though it would require additional legal and professional costs to be incurred and could increase the time needed to close the Transactions. In that regard therefore, the RVO structure would be beneficial, but is not strictly "necessary".

77. Management has informed the Monitor that there would be approximately 20 to 25 pricing sheets that would be customer Contracts and over 100 supplier Code of Conduct agreements. Given the number of such agreements, the ARVO will mitigate the potential delays and costs associated with seeking consents to assignments from contract counter-parties or Court approval of assignments if such consents cannot be obtained.

78. Additionally, the Monitor has been informed by Management that the Applicant's business relies on the following licenses and certificates to operate:

(a) *Safe Foods for Canadians Act*, license number 4HFXBWXT;

(b) *Safe Foods for Canadians Act*, license number 3BYDXHBB;

(c) U.S. Food and Drug Administration registration number 1177536;

(d) A Kashruth Council of Canada certification;

(e) U.S. Safe Quality Food Institute Certificate of Conformity number 101165; and

(f) U.S. Safe Quality Food Institute Certificate of Conformity number 71649.

79. Management has informed the Monitor that these licenses and certificates are not transferable and that the time it would take to obtain replacements is uncertain. Management has also informed the Monitor that for the sale of the Applicant's Kitchen Partners division prior to the commencement of the CCAA Proceedings[8], it took approximately eight weeks for the purchaser to obtain a replacement *Safe Foods for Canadians Act* license.

80. Furthermore, the Applicant's tax return for the year ended December 31, 2024, shows non-capital losses of approximately $36.6 million dollars. While the 2025 tax return has not yet been filed, the Applicant believes additional non-capital losses will be generated in both 2025 and 2026 and has estimated that the combined losses for those years are expected to be in excess of $70 million.

[8] As described in the Burdzy Initial Affidavit.

81. In order to preserve the tax attributes, the Transactions must be effected through either an RVO structure or a plan of compromise and arrangement under the CCAA (a "**Plan**"). The Investor has informed the Monitor that it is not prepared to provide the additional consideration that would be necessary to provide a recovery to unsecured creditors that would be necessary to secure creditor approval of a Plan or to fund the additional legal and professional fees of preparing a Plan and convening a meeting of creditors to vote on a Plan. Accordingly, the RVO structure is necessary to preserve the tax attributes.

Is the economic result at least as favourable under the RVO?

82. If the Transactions were effected under an AVO rather than the ARVO, there would be no economic impact on any creditor that is the holder of a Priority Payable or a Retained Liability, nor would there be any impact on any creditor that is the holder of an Excluded Liability and that is not a former employee or an Excluded Employee (together, "**Employee Creditors**").

83. The Subscription Agreement provides that Known Cure Costs for the Retained Contracts will be paid on Closing and that any other Cure Costs are Retained Liabilities that are payable after Closing. Therefore, the economic result for any counterparty to a Retained Contract is the same under the ARVO as it would be if the Transactions were completed under an AVO.

84. If the Transactions were completed under an AVO rather than the ARVO, Employee Creditors should be entitled to claims under WEPPA. Under the RVO structure, Employee Creditors would not be entitled to claims under WEPPA unless the WEPPA Order is granted.

85. Accordingly, provided that the WEPPA Order is granted, the economic result for creditors of the Applicant would be the same regardless of whether the Transactions are completed under an AVO or the ARVO. If the WEPPA Order is not granted, the economic result would be the same for all creditors under either an AVO or ARVO, other than for Employee Creditors.

Is any stakeholder worse off under the RVO?

86. As discussed above, provided that the WEPPA Order is granted, the economic result for creditors of the Applicant would be the same regardless of whether the Transactions are completed under an AVO or the ARVO.

87. The Monitor is not aware of any stakeholder that would be worse off under the ARVO rather than an AVO.

Does the consideration being paid reflect the importance of intangible assets preserved?

88. It is the Monitor's understanding that the tax attributes have value only to a party making taxable profits from a same or similar business and could only be preserved and available to such a party in the event that such party acquires the Applicant through an RVO transaction or a Plan. As the Subscription Agreement is a credit bid from the existing secured creditor, it is not possible to reasonably assess whether the consideration would be lower if the tax attributes are not preserved. However, the results of the SISP indicate that there is no reasonable prospect of otherwise realizing value for those attributes.

ADDITION OF THE RESIDUALCOS TO THE CCAA PROCEEDINGS

89. The Subscription Agreement provides that, on Closing, Excluded Assets will be transferred from the Applicant to ResidualCo1 and Excluded Liabilities, Excluded Contracts, Excluded Employee Plans and Excluded Employees will be transferred from the Applicant to ResidualCo2. This is a similar structure to those that have been used in other reverse vesting order cases, including Harte Gold. Separate residual companies are used for assets and liabilities to avoid potential adverse tax consequences that could arise if the assets and liabilities were transferred to a single entity.

90. ResidualCo1 and ResidualCo2 are required as an integral part of the Transactions. ResidualCo1 and ResidualCo2 are, or prior to hearing date of the October 2 Motions will become, wholly-owned subsidiaries of the Applicant, incorporated for the purpose of implementing the Transactions.

91. The only assets of ResidualCo1 would be the Excluded Assets[9]. ResidualCo1 would have no liabilities and accordingly would not be insolvent, so would not be a "debtor company" as defined in the CCAA. However, the Applicant seeks to make ResidualCo1 subject to the provisions of the ARIO, similar to the approach that has been used in other proceedings under the CCAA to extend the provisions of initial orders to limited partnerships existing within a corporate group.

92. ResidualCo2 would have no assets. Its liabilities would be the Excluded Liabilities which, based on the Applicant's books and records, include approximately $28.1 million of non-employee pre-filing liabilities and approximately $1.1 million of severance and termination claims of Excluded Employees, together with any claims arising in respect of the Excluded Contracts, which are unquantified. Accordingly, ResidualCo2 would be insolvent and would be an affiliated debtor company for the purposes of the CCAA.

[9] There are in fact no known Excluded Assets.

93. It is intended that ResidualCo1 and ResidualCo2 will be amalgamated as part of the sequence of steps for the Closing of the Transactions to form Amalco. Amalco would therefore have the Excluded Assets and the Excluded Liabilities. The amount of the Excluded Liabilities will exceed the value of the Excluded Assets. Accordingly, Amalco will be insolvent and will be an affiliated debtor company for the purposes of the CCAA.

94. The addition of the ResidualCos to the CCAA Proceedings will maintain the status quo as regards the Excluded Assets and the Excluded Liabilities following the closing of the Transactions, and will enable the Monitor, if the Expanded Powers (as hereinafter defined) are granted, to undertake any necessary steps in respect of or by the ResidualCos, including assigning ResidualCo2 or Amalco into bankruptcy.

EXPANSION OF MONITOR POWERS

95. The ARVO, if granted, provides that the CCAA Proceedings will be extended to the ResidualCos. None of the ResidualCos will have a board of directors and will therefore have no controlling mind to undertake the steps necessary to complete the Transactions, be assigned into bankruptcy or be wound-down, or to complete the CCAA Proceedings. Accordingly, as part of the ARVO, the Applicant seeks the expansion of the Monitor's powers in connection with the Transactions.

96. It is proposed that the Monitor be authorized and empowered, but not obligated, to do all things reasonably necessary to assist the Company and the Investor to close and implement the Transactions (the "**Expanded Powers**"), including to:

(a) Distribute the Cash Consideration in accordance with the Subscription Agreement and the ARVO; and

(b) Exercise any powers which may be properly exercised by any board of directors of the ResidualCos, including:

(i) Opening of one or more new bank accounts on their behalf;

(ii) Causing such entities to perform such functions as the Monitor considers necessary or desirable to facilitate the wind-down and the distribution of their property; and

(iii) Assigning ResidualCo2 or Amalco into bankruptcy following the closing of the Transactions.

97. The Expanded Powers are necessary to complete the Transactions, the CCAA Proceedings and the administration of ResidualCos. In the view of the Monitor, the Expanded Powers are reasonable, justified and appropriate.

THE D&O RELEASE

98. The proposed ARVO includes the D&O Release, the beneficiaries of which are the existing directors and officers of the Applicant (the "**Released Parties**"), including Mr. Burdzy solely in his capacity as an officer and director. The Applicant does not seek any release in favour of any third party.

99. The D&O Release sought by the Applicant is broad in scope, covering the following:

> "any and all present and future claims whatsoever (including, without limitation, claims for contribution or indemnity), liabilities, indebtedness, demands, actions, causes of action, counterclaims, suits, damages, judgments, executions, recoupments, debts, sums of money, expenses, accounts, liens, taxes, recoveries, and obligations of any nature or kind whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or equity and whether based in statute or otherwise) based in whole or in part on any act or omission, transaction, offer, investment proposal, dealing, or other fact, matter, occurrence or thing existing or taking place prior to the delivery of the Monitor's Certificate or completed pursuant to the terms of this Order and/or in connection with the Transactions in respect of the Company or its assets, business or affairs, prior dealings with the Company (wherever or however conducted or governed), or the administration and/or management of the Company or these proceedings (collectively, the "Released Claims")."

100. The Released Claims exclude any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA. Furthermore, the D&O Release specifically does not release claims, if any, against Mr. Burdzy in his capacities as Noteholder or as Investor under the Subscription Agreement.

101. The D&O Release is consistent with similar releases granted by the Court in other CCAA proceedings, including for example those of Harte Gold; *Acerus Pharmaceuticals Corporation (Re)*, 2023 ONSC 3314; *Tacora Resources Inc. (Re)*, 2024 ONSC 4436; and *Re Green Relief Inc.*, 2020 ONSC 6837.

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102. As at the date of this Report, neither the Applicant nor the Monitor have received any indication of stakeholders intending to assert a claim against any of the Released Parties that would be covered by the D&O Release. The Monitor understands that the D&O Release is sought in order to provide certainty that no such claims can be advanced in the future.

103. The directors and officers of the Applicant have informed the Monitor that they will not consent to the release of the Directors' Charge unless the D&O Release is granted or a claims bar process is undertaken to identify, quantify and, if applicable, adjudicate any existing or potential claims against them and to bar any future claims (a "**D&O Claims Process**").

104. In Harte Gold, the following factors, based on the case of *Lydian International Limited (Re)*, 2020 ONSC 4006, were considered by the Court in determining whether to grant a release for directors and officers:

(a) Whether the claims to be released are rationally connected to the purpose of the restructuring;

(b) Whether the releasees contributed to the restructuring;

(c) Whether the release is fair, reasonable and not overly broad;

(d) Whether the restructuring could succeed without the Release;

(e) Whether the release benefits [the Applicant] as well as the creditors generally;

(f) Creditors' knowledge of the nature and effect of the Release.

Are the Released Claims Rationally Connected to the Restructuring?

105. The D&O Release will have the effect of ensuring no claims can be advanced against the Released Parties, which in turn will ensure that there are no indemnification claims against the Directors' Charge and that there would be no requirement to incur the cost of a D&O Claims Process. Accordingly, the claims released are, in the Monitor's view, rationally connected to the restructuring.

Did the Released Parties Contribute to the Restructuring?

106. In the Monitor's view, the Released Parties have made significant contributions to the restructuring. In particular, the Released Parties have contributed significant time and energy in ensuring the continued operation of the business and they have been directly involved in the conduct of the SISP, with the Board meeting weekly throughout the CCAA Proceedings with additional *ad hoc* meetings as required.

Is the Release Fair, Reasonable and Not Overly Broad?

107. As noted earlier in this Report, neither the Applicant nor the Monitor are aware of any known claims against the Released Parties which would be covered by the proposed D&O Release. Furthermore, any post-filing obligations that could result in potential personal liability for directors are Retained Liabilities under the Subscription Agreement. It would therefore appear that no party would be materially prejudiced by the granting of the D&O Release.

108. The directors and officers are indemnified by the Applicant pursuant to paragraph 21 of the ARIO, which indemnity is secured by the Directors' Charge. In the Monitor's view, it is reasonable for the directors and officers to require certainty regarding potential claims against them before agreeing to release the Court-ordered Directors' Charge, and the D&O Release is a reasonable way to achieve that.

109. While the D&O Release is broad, it only includes the current directors and officers, not the former directors or officers, or Mr. Burdzy in any capacity except as director and officer. The D&O Release also contains the usual exclusions as it excludes any claim for fraud or wilful misconduct or any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA. Accordingly, in the Monitor's view, the D&O Release is fair and reasonable and does not appear to be overly broad.

Could the Restructuring Succeed without the Release?

110. As noted earlier in this Report, the closing of the Transactions is conditional, *inter alia*, upon the ARVO, which includes the D&O Release, being granted by the Court.

111. Also as noted earlier in this Report, the directors and officers of the Applicant have informed the Monitor that if the D&O Release is not granted, they will not consent to the release of the Directors' Charge and will require a D&O Claims Process to be undertaken.

112. If the Directors' Charge is not released on Closing of the Transactions, it will be necessary for the Directors' Charge to be cash collateralized on Closing, adding $2 million to the amount that would have to be funded by the Investor or a D&O Claims Process would have to be undertaken prior to Closing. Either of those would affect the cost of the Transactions. In addition, the Monitor understands that both the Applicant and the Investor (recognizing that Mr. Burdzy is both the Investor and a director and officer of the Applicant) take the position that the Release is an essential component to the Transactions.

113. While the Subscription Agreement is a credit bid and the only available alternative at this time is a liquidation of the Applicant's assets, it is not certain that the Transactions would close if the D&O Release is not granted.

Does the Release Benefit the Applicant and the Creditors?

114. In the Monitor's view, the D&O Release benefits the Applicant, its creditors and other stakeholders by ensuring that the Transactions can close as expeditiously as practicable and by avoiding the potential of indemnification claims against the Directors' Charge.

Creditors' knowledge of the nature and effect of the Release

115. The Monitor has been informed by the Applicant's counsel that prior to the service of materials for the motion for the granting of the ARVO, the Service List was updated to include all counterparties to the Retained Contracts and the known Excluded Contracts. The Applicant's counsel has also informed the Monitor that all creditors on the Service List have been served with the motion for the ARVO.

116. In addition, the motion materials were posted on the Monitor's website on September 14, 2026, and are therefore also available to any creditor not on the Service List.

EXTENSION OF THE STAY PERIOD

117. The Stay Period currently expires on October 16, 2026. If the ARVO is granted by the Court, additional time will be required to complete the Transactions and complete the administrative steps necessary to complete the CCAA Proceedings. If the ARVO is not granted, additional time will be required to determine the appropriate next steps. In either case, an extension of the Stay Period is necessary to provide the stability needed during that time. Accordingly, the Applicant now seeks an extension of the Stay Period to November 30, 2026.

118. The September 10 Forecast demonstrates that, subject to the underlying assumptions thereof, the Applicant will have sufficient liquidity to fund the CCAA Proceedings during the requested extension of the Stay Period.

119. Based on the information currently available, the Monitor is of the view that creditors of the Applicant generally would not be materially prejudiced by the proposed extension of the Stay Period. Conversely, creditors, potential creditors and other stakeholders could be materially prejudiced if the Stay Period is not extended.

120. The Monitor is also of the view that, since the commencement of the CCAA Proceedings, the Applicant has acted, and is acting, in good faith and with due diligence.

THE MONITOR'S RECOMMENDATION

121. In summary, in the view of the Monitor:

(a) The process leading to the proposed Transactions was reasonable in the circumstances;

(b) The Subscription Agreement provides a vastly superior result for creditors with Retained Liabilities than would a liquidation of the assets of the Applicant. While creditors with claims which are Excluded Liabilities will have no recovery under the Transactions, they also have no prospect of recovery under any other alternative currently available;

(c) The consideration under the Subscription Agreement is fair and reasonable in the circumstances and is higher than could be realized in a liquidation, which is currently the only available alternative to the Transactions;

(d) The completion of the Transactions pursuant to the Subscription Agreement is in the best interests generally of the creditors of the Applicant and its other stakeholders including, among other things providing the benefit of ongoing employment for over 200 employees, ongoing business opportunities for suppliers of goods and services and continuation of supply to customers without the potential issues and delays that may be caused from having to source alternate supply;

(e) The RVO structure is reasonable, justified and appropriate in the circumstances;

(f) The addition of the ResidualCos to the CCAA Proceeding is reasonable, justified and appropriate in the circumstances;

(g) The D&O Release is reasonable and justified in the circumstances;

(h) The expansion of the Monitor's powers is reasonable, justified and appropriate in the circumstances; and

(i) Circumstances exist that make the proposed extension of the Stay Period appropriate, creditors of the Applicant generally would not be materially prejudiced by the proposed extension of the Stay Period and since the commencement of the CCAA Proceedings the Applicant has acted, and is acting, in good faith and with due diligence.

122. The Monitor therefore respectfully recommends that this Honourable Court grant the Applicant's request for the ARVO.

SECTION H - THE WEPPA ORDER

123. The Monitor has been informed by Management that approximately 125 employees whose employment was terminated by the Applicant in the six months prior to the CCAA Proceedings or since the commencement of the CCAA Proceedings have not been paid some or all of their severance and termination pay. Based on information provided by the Applicant, the Monitor has estimated that if the ARVO is granted, severance and termination claims totalling approximately $1.1 million will be vested in ResidualCo2.

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124. As noted earlier in this Report, Employee Creditors should be entitled to claims under WEPPA if the Transactions were to be completed under an AVO but would not be entitled to do so under the RVO structure unless the WEPPA Order is granted. The Monitor has estimated that the potential WEPPA claims of Employee Creditors are approximately $207,000 in the aggregate.

125. The Monitor is of the view that Employee Creditors should not be prejudiced by the mechanism utilized to approve and complete the Transactions.

126. Similar orders have been granted by the Court and by the Quebec court in other proceedings under the CCAA[10,11].

127. Accordingly, the Monitor is supportive of the Applicant's request for the granting of the WEPPA Order.

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

Dated this 15th day of September, 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

[10] For example, *1001270243 Ontario Inc.*; 2026 ONSC 3967; *Re Just Energy Group Inc et al*, Toronto CV-21-0065842 (ONSC); *Validus Power Corp et al*, Toronto CV-23-00705215-00CL (ONSC); *Contract Pharmaceuticals Limited et al*, Toronto CV-23-711401-00CL (ONSC); *Arrangement relatif à Former Gestion Inc.*, 2024 QCCS 3645; and *Arrangement relatif à Valeo Pharma Inc.*, 2025 QCCS 580.

[11] On July 28, 2026, the Attorney General of Canada filed a Notice of Motion for Leave to Appeal to the Court of Appeal for Ontario in respect of the Order issued in the matter of 1001270243 Ontario Inc. As at the date of this Report, no decision has been issued on that motion.

APPENDIX A

The September 10 Forecast

Freshstone Brands Inc.
12-Week Cash-Flow Forecast
For the Period September 6, 2026 to November 28, 2026
(CAD, in $000's, Unaudited)

Cash Flow Week Week Ending	Notes	Week 1 12-Sep-26	Week 2 19-Sep-26	Week 3 26-Sep-26	Week 4 3-Oct-26	Week 5 10-Oct-26	Week 6 17-Oct-26	Week 7 24-Oct-26	Week 8 31-Oct-26	Week 9 7-Nov-26	Week 10 14-Nov-26	Week 11 21-Nov-26	Week 12 28-Nov-26	Forecast Total
Receipts														
Customer Receipts	2	855	1,164	889	809	851	749	937	764	740	805	749	799	**10,110**
Other Receipts		-	-	-	-	-	-	-	250	-	-	-	-	**250**
Total Receipts		**855**	**1,164**	**889**	**809**	**851**	**749**	**937**	**1,014**	**740**	**805**	**749**	**799**	**10,360**
Operating Disbursements														
Vendor Payments	3	(412)	(177)	(307)	(581)	(74)	(663)	(33)	(963)	(45)	(619)	(107)	(743)	**(4,724)**
Payroll & Benefits	4	(628)	(1)	(619)	(1)	(623)	(1)	(634)	(1)	(625)	(1)	(638)	(1)	**(3,771)**
Occupancy Costs	5	-	(176)	-	(58)	-	(58)	-	(58)	-	(58)	-	-	**(408)**
Operating Expenses	6	(46)	(46)	(56)	(46)	(40)	(40)	(50)	(40)	(51)	(51)	(61)	(51)	**(580)**
Total Operating Disbursements		**(1,086)**	**(400)**	**(981)**	**(686)**	**(737)**	**(762)**	**(717)**	**(1,062)**	**(721)**	**(729)**	**(806)**	**(795)**	**(9,483)**
Operating Cash Flow		**(231)**	**764**	**(92)**	**123**	**114**	**(12)**	**220**	**(49)**	**19**	**76**	**(58)**	**4**	**877**
Non-Operating Disbursements														
Professional Fees - Restructuring	7	(75)	(75)	(50)	(50)	(50)	(50)	(25)	(25)	(25)	(25)	(25)	(25)	**(500)**
Total Restructuring Costs		**(75)**	**(75)**	**(50)**	**(50)**	**(50)**	**(50)**	**(25)**	**(25)**	**(25)**	**(25)**	**(25)**	**(25)**	**(500)**
Total Disbursements		**(1,161)**	**(475)**	**(1,031)**	**(736)**	**(787)**	**(812)**	**(742)**	**(1,087)**	**(746)**	**(754)**	**(831)**	**(820)**	**(9,983)**
Net Cash Flow		**(306)**	**689**	**(142)**	**73**	**64**	**(62)**	**195**	**(74)**	**(6)**	**51**	**(83)**	**(21)**	**377**
Customer Receipts Swept	8	(855)	(1,164)	(889)	(809)	(851)	(749)	(937)	(764)	(740)	(805)	(749)	(799)	**(10,110)**
Total Net Cash Flow		**(1,161)**	**(475)**	**(1,031)**	**(736)**	**(787)**	**(812)**	**(742)**	**(837)**	**(746)**	**(754)**	**(831)**	**(820)**	**(9,733)**
Opening Cash Balance		**1,201**	**55**	**650**	**50**	**650**	**50**	**650**	**50**	**650**	**50**	**650**	**50**	**1,201**
Net Cash Flow		(1,161)	(475)	(1,031)	(736)	(787)	(812)	(742)	(837)	(746)	(754)	(831)	(820)	**(9,733)**
DIP Drawdown / (Repayment)	9	15	1,070	431	1,336	187	1,412	142	1,437	146	1,354	231	1,420	**9,182**
Closing Cash Balance / (Deficit)		**55**	**650**	**50**	**650**	**50**	**650**	**50**	**650**	**50**	**650**	**50**	**650**	**50**
Borrowing Base Calculation	10													
Opening DIP Facility Balance		1,944	1,104	1,011	553	1,101	438	1,100	305	979	401	949	432	**1,944**
DIP Interest & Fees		0	0	0	21	0	0	0	0	16	0	0	0	**37**
DIP Facility Draw		15	1,070	431	1,336	187	1,412	142	1,437	146	1,354	231	1,420	**9,182**
DIP Facility Balance Before Sweep		**1,959**	**2,174**	**1,442**	**1,910**	**1,288**	**1,849**	**1,242**	**1,743**	**1,141**	**1,755**	**1,181**	**1,852**	**11,163**
DIP Facility Repayment		(855)	(1,164)	(889)	(809)	(851)	(749)	(937)	(764)	(740)	(805)	(749)	(799)	**(10,110)**
Ending DIP Facility Balance		**1,104**	**1,011**	**553**	**1,101**	**438**	**1,100**	**305**	**979**	**401**	**949**	**432**	**1,053**	**1,053**
Borrowing Base Availability		**1,959**	**2,179**	**1,447**	**1,915**	**1,293**	**1,854**	**1,247**	**1,747**	**1,146**	**1,760**	**1,186**	**1,857**	
Excess Availability / (Shortfall)		**855**	**1,169**	**894**	**814**	**856**	**754**	**942**	**768**	**745**	**810**	**754**	**804**	

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 September 6, 2026 to November 28, 2026 (the "**Forecast Period**"). The Forecast is presented in Canadian dollars.

(2) Customer Receipts are based on past performance and anticipated customer orders.
(3) Vendor Payments reflects estimated cash outflows related to the purchase and transportation of inventory necessary to support ongoing operations.
(4) Payroll & Benefits includes salaries, wages, remittances, employee benefits and taxes for salaried and hourly employees across the Company's facilities.
(5) Occupancy Costs reflects post-filing rent for the expected period of occupation of leased premises.
(6) Operating Expenses includes other general operational expenses.
(7) Professional Fees - Restructuring includes legal and financial advisors associated with the CCAA proceedings and are based on estimates provided by the advisors.
(8) Customer Receipts Swept represents forecast customer collections required to be remitted to Garrington Financial Services Inc. ("**Garrington**") in accordance with the terms of the DIP financing agreement between Garrington and the Company (the "**DIP Agreement**"). This amount excludes any Excluded Funds, as defined in the DIP Agreement.

(9) DIP Advances / Repayments reflect the Company's expected funding needs and capacity to repay amounts drawn under the DIP facility, pursuant to the DIP Agreement.
(10) Forecast Borrowing Base Availability has been calculated in accordance with the borrowing base provisions and other applicable terms of the DIP Agreement and reflects management's estimate of amounts available to be drawn under the DIP facility during the Forecast Period.

(11) Pursuant to the DIP Agreement, borrowing base availability is calculated at the beginning of each week, prior to the sweep of that week's customer receipts to Garrington. As a result, excess borrowing base availability does not reach the maximum borrowing capacity available under the DIP facility.

Deloitte.

APPENDIX B

The Subscription Agreement

SUBSCRIPTION AGREEMENT
(the "**Agreement**")

entered into as of June 12, 2026

BETWEEN	**FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta (the "**Issuer**");
AND	**FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing (the "**Investor**");
	(the Issuer and the Investor are collectively referred to as the "**Parties**" and each individually a "**Party**").

PREAMBLE

WHEREAS the Issuer carries on the business, taken as a whole, consisting primarily of manufacturing prepared meals specializing in high-quality products for retail, foodservice and co-manufacturing channels (the "**Business**");

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2026 (as amended and restated, the "**Initial Order**") in the file bearing number CL-26-00000265-0000 (the "**CCAA Proceedings**"), the Issuer obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**"), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the "**Monitor**");

WHEREAS within the CCAA Proceedings, the Issuer intends to seek an order from the Court (the "**SISP Order**") that, among other things, authorizes the Issuer to conduct a sale and investment solicitation process (the "**SISP**"), under the oversight of the Monitor, in accordance with the sale and investment solicitation process procedures substantially in the form attached as Exhibit A to this Agreement (the "**SISP Procedures**");

WHEREAS the Initial Order approved the DIP and granted the Administration Charge, the DIP Lender's Charge and the Directors' Charge (collectively, the "**Priority Court Charges**");

WHEREAS the Investor is a secured creditor of the Issuer under the Notes (as defined below), which rank subordinate to the Priority Court Charges; and

WHEREAS the Investor has agreed to act as a "stalking horse bidder" and, if selected as or deemed to be the Successful Bidder (as defined below) in accordance with the SISP Procedures, to subscribe for the Subscription Shares (as defined below), and the Issuer has agreed to issue the Subscription Shares to the Investor, with the Excluded Assets being transferred to and vested in ResidualCo 1 (as defined below), and the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans being transferred to and vested in ResidualCo 2 (as defined below), in each case pursuant to the Reverse Vesting Order (as defined below) and in accordance with the Closing Sequence (collectively, the "**Subscription Transaction**"), pursuant to and in accordance with the SISP and subject to the granting by the Court of a Reverse Vesting Order and upon the other terms and conditions set forth herein, a portion of the consideration being satisfied by way of a Credit Bid (as defined below).

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

1 INTERPRETATION

1.1 Definitions

The following capitalized terms, whenever used in this Agreement, shall have the following meaning:

1.1.1 "**Accounts Receivable**" means all accounts receivable, trade accounts, notes receivable, book debts and other debts due or accruing due to the Issuer in connection with the Business, and the benefit of all security, guarantees and other collateral relating thereto;

1.1.2 "**Administration Charge**" means the administration charge granted by the Court in the CCAA Proceedings as security for the fees and disbursements of the Monitor, its counsel and the other professionals retained in connection with the CCAA Proceedings, as more particularly set out in the applicable Order of the Court;

1.1.3 "**Administrative Reserve Amount**" means an amount reasonably determined by the Monitor prior to Closing, in consultation with the Investor, to pay the estimated fees and expenses of (i) completing the CCAA Proceedings and (ii) the receivership, bankruptcy or wind-up of ResidualCo 1 and ResidualCo 2;

1.1.4 "**Agreement**" shall mean this Subscription Agreement, including its preamble and any schedule attached thereto, as may be amended in writing by the Parties;

1.1.5 "**Articles of Amendment**" means, to the extent required, articles of amendment or reorganization in respect of the Issuer's authorized and issued capital to create a new class of common shares of the Issuer (which such shares shall be the Subscription Shares for purposes of this Agreement) and/or effecting such other changes to the articles of the Issuer in order to consummate the transactions contemplated hereby, such articles of amendment to be in form and substance satisfactory to the Investor;

1.1.6 "**Books and Records**" shall mean all books, records, files, papers, books of account and other financial data in the possession of and reasonably available to the Issuer, including manuals and data, sales and advertising materials, sales and purchase data, trade association files, research and development records, lists of present and former customers and suppliers, personnel, employment and other records, and all records, data and information stored electronically, digitally or on computer-related media, and all Tax records and returns and books and records pertaining thereto, minute books, share ledgers, organizational documents, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Issuer as a Person;

1.1.7 "**Business Day**" shall mean any day excluding Saturday, Sunday, and any day on which banks are not open for regular business in Toronto (Ontario);

1.1.8 "**Closing**" shall mean the completion of the Subscription Transaction in accordance with the provisions hereof;

1.1.9 "**Closing Date**" shall mean the date of the Closing, being five (5) Business Days following the satisfaction or waiver of all conditions to the purchase and sale of the Retained Assets set out in Sections 10.1 and 10.2 as same will be confirmed by the Monitor's Certificate, or any other date mutually agreed by the Parties, providing Closing shall not occur later than the Outside Date;

1.1.10 "**Closing Sequence**" means the Closing steps detailed in Schedule 1.1.10 attached hereto, as the same may be amended in accordance with the terms of this Agreement;

1.1.11 "**Closing Time**" shall mean 12:01 a.m. Eastern prevailing time on the Closing Date;

1.1.12 "**Contracts**" means contracts, deeds, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements or engagements to which the Issuer is a party or by which the Issuer is bound or under which the Issuer has, or will have, any right or liability or contingent right or liability (in each case, whether written or oral, express or implied) relating to the Business and includes quotations, orders, proposals, purchase orders or tenders which remain open for acceptance and warranties and guarantees;

1.1.13 "**Credit Bid**" means the satisfaction by the Investor, as authorized by the Reverse Vesting Order, of the portion of the Subscription Price described in Section 5.3.1 by way of a credit against, set-off of and in partial satisfaction of the Notes, in accordance with section 11 of the CCAA and the SISP Procedures;

1.1.14 "**Credit Bid Amount**" means the amount outstanding under the Credit Bid Notes up to Closing;

1.1.15 "**Credit Bid Notes**" means all indebtedness, liabilities and obligations (whether for principal, interest, fees, costs or otherwise) owing by the Issuer to the Investor, as first-ranking secured creditor, under (i) a second amended and restated secured promissory note in the original principal amount of $1,150,000, dated as of May 8, 2026, (ii) an amended and restated secured promissory note in the original principal amount of $2,000,000, dated as of May 8, 2026, and (iii) a secured promissory note in the original principal amount of $2,000,000, dated as of May 8, 2026, in each case, between the Issuer and the Investor, as amended pursuant to the omnibus amending agreement dated June 4, 2026 between the Issuer and the Investor, and the security granted in connection therewith (the particulars of the outstanding amount being set out in Schedule 1.1.49 (Notes));

1.1.16 "**Cure Costs**" shall mean all amounts, costs and expenses required to be paid to cure all of the Issuer's monetary defaults in relation to the Retained Contracts or as otherwise may be required pursuant to the Reverse Vesting Order;

1.1.17 "**Damages**" shall mean any loss, cost, liability, claim, interest, fine, penalty, assessment, damages available at law or in equity (excluding consequential and punitive damages whatsoever), expense (including consultant's and expert's fees and expenses and reasonable costs, fees and expenses of legal counsel and reasonable costs, fees and expenses of investigation, defence or settlement) or diminution in value;

1.1.18 "**DIP**" means the priority debtor-in-possession financing made available by Garrington to the Issuer in the CCAA Proceedings pursuant to the Garrington DIP Documents and secured by the DIP Lender's Charge;

1.1.19 "**DIP Lender's Charge**" means the priority charge set out in the DIP Order;

1.1.20 "**DIP Obligations**" means the amounts owing under the DIP;

1.1.21 "**DIP Order**" means any order of the Court in the CCAA Proceedings approving the DIP and the priorities and charges securing the same, as such order or orders may be amended, restated, supplemented or extended from time to time;

1.1.22 "**Directors' Charge**" means the directors' and officers' charge granted by the Court in the CCAA Proceedings as security for the indemnification obligations of the Issuer in favour of its directors and officers, as more particularly set out in the applicable Order of the Court;

1.1.23 "**Eastern**" shall mean, when used in relation to time, the time zone in which the city of Toronto, province of Ontario, is located, being, as the case may be, Eastern Standard Time and Eastern Daylight Time;

1.1.24 "**Employee Plans**" means any plan, arrangement, agreement, program, policy, practice or undertaking, whether oral or written, formal or informal, funded or unfunded, that provides any employee benefit, fringe benefit, supplemental unemployment benefit, bonus, retention, severance, incentive, profit sharing, termination, change of control, pension, supplemental pension, retirement, stock option, stock purchase, deferred compensation, health, welfare, medical, dental, disability, life insurance and any similar plans, in each case maintained, sponsored, funded or contributed to by the Issuer or under which the Issuer has, or will have, any liability or contingent liability, but excluding (A) any statutory plan administered by a Governmental Authority; and (B) individual Contracts of employment;

1.1.25 "**Employees**" shall mean all individuals who, as of the Closing Date, are employed by the Issuer, whether on a full-time or part-time basis, including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not become deemed a definitive termination of employment under applicable employment standards Laws, and "**Employee**" means any one of them;

1.1.26 "**Encumbrance**" shall mean any claim, liability, obligation, prior claim, right of retention, lien, security interest, charge, hypothec, trust, judgment, writ of seizure or execution, contractual right or encumbrance, whether or not registered, published or filed, and whether secured, unsecured or otherwise;

1.1.27 "**Equipment**" means all machinery, equipment, tooling, furniture, fixtures, vehicles, rolling stock, spare parts, supplies and other tangible personal property owned or used or held for use by the Issuer in connection with the Business;

1.1.28 "**Equity Interests**" means any capital share, capital stock, partnership, membership, joint venture or other ownership or equity interest, participation or securities (whether voting or non-voting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of a Person, and any options, warrants, or other instruments exercisable into, or convertible or exchangeable for, any of the foregoing;

1.1.29 "**ETA**" shall mean the *Excise Tax Act*, R.S.C., 1985, c. E-15 (Canada);

1.1.30 "**Excluded Assets**" shall mean: (i) any assets associated with any Excluded Employee Plans; and (ii) all other assets listed in Schedule 1.1.30 (Excluded Assets), all of which are to be transferred to ResidualCo 1 pursuant to the Reverse Vesting Order;

1.1.31 "**Excluded Contracts**" means all Contracts of the Issuer listed in Schedule 1.1.31 (Excluded Contracts), and which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;

1.1.32 "**Excluded Employee Plans**" means the Employee Plans that are listed in Schedule 1.1.32 (Excluded Employee Plans), which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;

1.1.33 "**Excluded Employees**" means those Employees designated by the Investor, in its sole discretion, by written notice to the Issuer and the Monitor not later than three (3) Business Days prior to the Closing Date, whom the Investor elects not to retain, who are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;

1.1.34 "**Excluded Liabilities**" means all Liabilities of the Issuer other than the Retained Liabilities, which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;

1.1.35 "**Expense Reimbursement**" shall mean an amount equal to the reasonable, documented, out-of-pocket costs and expenses of the Investor (including the reasonable, documented expenses of outside counsel and other outside advisors) related to negotiating this Agreement up to a maximum amount of $50,000, which amount will be payable only from the proceeds of the closing of a transaction under the SISP where this Agreement is not the Successful Bid;

1.1.36 "**Garrington**" means Garrington Financial Services Inc., a third-party lender providing the DIP;

1.1.37 "**Garrington DIP Documents**" means the DIP financing agreement and related documents governing the DIP and the DIP Order approving same;

1.1.38 "**Governmental Authority**" shall mean (i) any domestic or foreign government, governmental or public department, central bank, court, commission, tribunal, board, ministry, bureau or agency, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority, and (iv) any other body or entity created under the authority of or otherwise subject to the jurisdiction of any of the foregoing;

1.1.39 "**GST/HST**" shall mean all goods and services tax and harmonized sales tax imposed under Part IX of the ETA;

1.1.40 "**Intellectual Property**" means all intellectual property and industrial property rights owned or used or held for use by the Issuer in connection with the Business, including all trademarks, trade names, business names, domain names, patents, industrial designs, copyrights, trade secrets, know-how, software and all registrations and applications for any of the foregoing, and the goodwill associated therewith;

1.1.41 "**Interim Period**" shall mean the period starting on the date hereof and ending at the Closing Time;

1.1.42 "**Inventory**" means all inventories of every kind and nature and wheresoever situated owned or used or held for use by the Issuer in connection with the Business, including raw materials, work-in-progress, finished goods, packaging, supplies and goods in transit;

1.1.43 "**ITA**" shall mean the *Income Tax Act*, R.S.C., 1985, c. 1 (5th Supplement) (Canada);

1.1.44 "**Known Cure Costs**" shall mean all Cure Costs which the Issuer, the Investor, the Monitor and/or of their respective Representatives has received actual notice thereof, the particulars of which are listed in Schedule 1.1.44 (Known Cure Costs);

1.1.45 "**Law**" shall mean any (i) law, constitution, treaty, statute, code, ordinance, order, decree, rule, regulation and by-law, (ii) judgment, order, writ, injunction, decision, award and directive of any Governmental Authority, and (iii) policy, guideline, notice and protocol of any Governmental Authority to the extent they have the force of law;

1.1.46 "**Liability**" shall mean, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person;

1.1.47 "**Minimum Overbid**" means the minimum initial overbid amount and subsequent bidding increments applicable at any auction conducted under the SISP Procedures, being not less than $250,000 above the value of the Subscription Price (inclusive of the Expense Reimbursement), as more fully set out in the SISP Procedures;

1.1.48 "**Monitor's Certificate**" means the certificate, substantially in the form attached as an exhibit to the Reverse Vesting Order, to be delivered by the Monitor to the Issuer and the Investor on Closing and thereafter filed by the Monitor with the Court certifying that it has received the Conditions Certificates;

1.1.49 "**Notes**" means collectively, the Credit Bid Notes and the Retained Note, and "**Note**" means any one of them (the particulars of the outstanding amounts being set out in Schedule 1.1.49 (Notes));

1.1.50 "**Order**" shall mean any directive, judgment, decree, injunction, decision, ruling, award or writ of any Governmental Authority;

1.1.51 "**Outside Date**" shall mean November 27, 2026;

1.1.52 "**Permitted Encumbrances**" shall mean the Encumbrances relating to the Retained Assets;

1.1.53 "**Person**" shall be broadly interpreted and includes an individual, partnership, limited partnership, limited liability company, unlimited liability company, joint venture, trust, cooperative, association or corporation, Governmental Authority and the executors, administrators or other legal representatives of an individual in such capacity, as the case may be;

1.1.54 "**Personal Information**" shall have the meaning ascribed thereto in the Privacy Law;

1.1.55 "**Priority Payables**" means the amounts secured by the Administration Charge, the DIP Lender's Charge, the Directors' Charge and any other Court-ordered priority charge;

1.1.56 "**Privacy Law**" means the *Personal Information Protection and Electronic Documents Act* (Canada) and any comparable Law of any other jurisdiction;

1.1.57 "**Representative**" shall mean, when used with respect to a Person, each director, officer, employee, and other agent, counsel, adviser or representative appointed by that Person;

1.1.58 "**ResidualCo 1**" means a newly-incorporated entity designated by the Investor, with the consent of the Monitor, to which the Excluded Assets are to be transferred and in which they are to be vested pursuant to the Reverse Vesting Order and in accordance with the Closing Sequence;

1.1.59 "**ResidualCo 2**" means a newly-incorporated entity designated by the Investor, with the consent of the Monitor, to which the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans are to be transferred and in which they are to be vested pursuant to the Reverse Vesting Order and in accordance with the Closing Sequence, and from which the Issuer is to be released;

1.1.60 "**Retained Assets**" means all of the Issuer's right, title and interest in, to and under, or relating to, the assets, property and undertaking owned or used or held for use by the Issuer in connection with the Business, including all cash and cash equivalents, the Equipment, the Inventory, the Accounts Receivable, the Intellectual Property, the Retained Contracts, the Books and Records, but other than the Excluded Assets and the Excluded Contracts;

1.1.61 "**Retained Contracts**" shall mean those Contracts of the Issuer that are not Excluded Contracts;

1.1.62 "**Retained Employee Plans**" means those Employee Plans that are not Excluded Employee Plans, including those listed on Schedule 1.1.62 (Retained Employee Plans);

1.1.63 "**Retained Liabilities**" means: (i) all Liabilities arising under the Retained Contracts to the extent first arising and relating to the period on or after the Closing Time, and any Cure Costs under such Retained Contracts which are not being paid in cash on Closing as Known Cure Costs; (ii) all Liabilities to the extent first arising out of the operation of the Retained Assets for the periods on and after the Closing Time; (iii) all Liabilities of the Issuer relating to Retained Employees and/or the Retained Employee Plans pursuant to Section 5.4; (iv) any Liabilities arising after the granting of the Initial Order, other than any such Liabilities to be paid in cash on Closing; (v) if any, unremitted employee source deductions, vacation pay and other employee priority claims as at the Closing Time; (vi) if any, unremitted GST/HST as at the Closing Time; (vii) the Retained Note; (viii) other liabilities secured by deemed trusts and statutory priority claims existing as at the Closing Time; and (ix) any amounts accrued and not yet owing in respect of the Priority Payables that are not paid by the Investor at the Closing;

1.1.64 "**Retained Note**" means all indebtedness, liabilities and obligations (whether for principal, interest, fees, costs or otherwise) owing by the Issuer to the Investor, as first-ranking secured creditor, under a secured promissory note in the original principal amount of $2,750,000, dated as of June 4, 2026, between the Issuer and the Investor, and the security granted in connection therewith (the particulars of the outstanding amount being set out in Schedule 1.1.49 (Notes));

1.1.65 "**Reverse Vesting Order**" shall mean a final and definitive order of the Court issued in the CCAA Proceedings, in form and substance reasonably satisfactory to the Investor, the Issuer and the Monitor, approving (i) this Agreement, (ii) the Subscription Transaction (including the issuance to the Investor of the Subscription Shares, free and clear of all Encumbrances (other than Permitted Encumbrances), the transfer to and vesting in ResidualCo 1 of the Excluded Assets, the transfer to and vesting in ResidualCo 2 of the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans, and the release of the Issuer from the Excluded Liabilities), (iii) the satisfaction of a portion of the Subscription Price by way of the Credit Bid, and (iv) any other transactions contemplated by this Agreement, including the filing for the Articles of Amendment;

1.1.66 "**SISP Procedures**" means the SISP Procedures, which shall reflect, among other things, this Agreement as a stalking horse bid, the Credit Bid, the bid increments and the auction procedures (including the Minimum Overbid), the whole substantially in the form attached as Schedule A to the SISP Order;

1.1.67 "**Subscription Shares**" means the new common shares in the capital of the Issuer to be issued to the Investor at Closing pursuant to the terms of this Agreement and the Reverse Vesting Order, representing, after giving effect to the transactions contemplated by this Agreement and the Reverse Vesting Order (including the cancellation of the existing Equity Interests (other than the Subscription Shares) in the capital of the Issuer and, if required, the Articles of Amendment), all of the issued and outstanding shares in the capital of the Issuer;

1.1.68 "**Successful Bidder**" shall have the meaning ascribed thereto in the SISP Procedures;

1.1.69 "**Superior Proposal**" shall have the meaning ascribed thereto in the SISP Procedures;

1.1.70 "**Target Closing Date**" shall mean five (5) Business Days immediately following the date upon which the Court has granted the Reverse Vesting Order, or such other date as the Parties and the Monitor may mutually agree to, in writing; and

1.1.71 "**Tax**" and "**Taxes**" shall mean taxes, duties, fees, premiums, assessments, imposts, levies and other charges of any kind whatsoever (including withholding on amounts paid to or by any Person) imposed by any Governmental Authority, including all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Authority in respect thereof.

1.2 Cross-Referenced Definitions

The following defined terms have the meanings ascribed thereto in the provisions of this Agreement indicated below:

Defined Term	Section
Business	Preamble above
CCAA	Preamble above
CCAA Proceedings	Preamble above
Conditions Certificates	10.3
Court	Preamble above
Deposit	5.1
Investor	Designation of the Parties above
Issuer	Designation of the Parties above
Monitor	Preamble above
Parties and Party	Designation of the Parties above
Replacement Plans	6.5
Retained Employees	6.2
SISP	Preamble above
SISP Order	Preamble above
SISP Procedures	Preamble above
Subscription Price	5.2
Subscription Transaction	Preamble above

1.3 Including

The word “include” or “including”, when following a general term or statement, is not to be construed as limiting the term or statement to the specific items or matters stated or to similar items or matters, but rather as referring to all items or matters that could reasonably fall within the broadest possible scope of the term or statement.

1.4 **References to this Agreement**

The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

1.5 **References to Documents**

All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules attached thereto.

1.6 **Currency and Payments**

Except as otherwise expressly provided in this Agreement: (a) all dollar amounts referred to in this Agreement are stated in the lawful currency of Canada; and (b) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account agreed upon by the Monitor or by any other method that provides immediately available funds as agreed to between the Parties, with the consent of the Monitor.

1.7 **Calculation of Time**

In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Eastern on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Eastern on the next succeeding Business Day.

1.8 **Statutes**

Any reference to a statute shall include such statute and the corresponding regulations, together with all amendments made and in force from time to time, and any statute or regulation that may be passed which has the effect of supplementing or superseding the statute referred to or the corresponding regulations.

1.9 **Gender and Number**

In this Agreement, unless the context requires otherwise, words importing the singular include the plural, and vice versa. Words importing the masculine gender include the feminine and neuter, and vice versa.

1.10 **Headings and Table of Contents**

The headings and table of contents contained in this Agreement have been inserted for convenience of reference only, shall not be construed to affect the meaning, construction or effect of this Agreement and shall not be considered in the interpretation of any of its provisions.

1.11 **Exhibit and Schedules**

The following Exhibit and Schedules form part of this Agreement:

– Exhibit A – SISP Order

- Schedule 1.1.10– Closing Sequence;
- Schedule 1.1.30 – Excluded Assets;
- Schedule 1.1.31 – Excluded Contracts;
- Schedule 1.1.32 – Excluded Employee Plans;
- Schedule 1.1.44 – Known Cure Costs;
- Schedule 1.1.49 – Notes; and
- Schedule 1.1.62 – Retained Employee Plans.

Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules.

1.12 Adverse Rule of Construction not to Apply

The Parties have each had full opportunity of obtaining legal advice and accordingly any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

2 SUBSCRIPTION FOR SUBSCRIPTION SHARES

2.1 At the Closing Time, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Investor shall subscribe for and purchase from the Issuer, and the Issuer shall issue the Subscription Shares as fully paid and non-assessable shares free and clear of all Encumbrances, and which Subscription Shares, once issued, shall represent all of the issued and outstanding shares in the capital of the Issuer, in consideration for the Subscription Price. Concurrently with the issuance of the Subscription Shares, all of the Equity Interests in the capital of the Issuer (other than the Subscription Shares) shall be cancelled for no consideration (in accordance with the Closing Sequence) with the result that the Investor will be the sole holder of all Equity Interests in the capital of the Issuer as of the Closing Time.

3 RETAINED CONTRACTS

3.1 At the Closing Time, on and subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Issuer's rights, benefits and interests in, to and under the Retained Contracts shall be retained by the Investor.

3.2 The Parties will use commercially reasonable efforts in order for the Reverse Vesting Order to contain sufficient provisions preventing any counterparty to the Retained Contracts from exercising any right or remedy (including any termination right or remedy) under the Retained Contracts, including by reason of: (i) non-monetary defaults, (ii) the insolvency of the Issuer, (iii) the CCAA Proceedings, or (iv) a change of control of the Issuer.

3.3 The Investor shall, on the Closing Date, remit to the Monitor, in trust, an amount equal to the aggregate of the Known Cure Costs and the Monitor shall in turn pay to the counterparty to each Retained Contract the applicable Known Cure Costs in accordance with the provisions of the Reverse Vesting Order. For clarity, the balance of the Cure Costs, if any, shall be the responsibility of the Issuer following Closing and shall form part of the Retained Liabilities.

4 RETAINED AND EXCLUDED ASSETS AND LIABILITIES

4.1 Before the Closing Time, at the time and date provided for in the Closing Sequence, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, all of the Issuer's right, title and interest in and to the Excluded Assets shall have been transferred to

ResidualCo 1, and the Issuer shall retain all of the Issuer's right, title and interest in and to the Retained Assets, which shall be free and clear of all Encumbrances other than Permitted Encumbrances, to the extent and as provided for in the Reverse Vesting Order. For the avoidance of doubt, notwithstanding any provision of this Agreement to the contrary, as of the Closing Time, the assets of the Issuer shall not include any of the Excluded Assets. Notwithstanding the foregoing and/or anything contained herein to the contrary, the Investor may update any (i) asset to be designated as an Excluded Asset and/or (ii) Contract to be designated as and Excluded Contract, in each case, by written notice to the Issuer and the Monitor delivered not later than July 15, 2026. Provided that no such update to the Excluded Assets and/or the Excluded Contracts shall result in any change to the Subscription Price.

4.2 Before the Closing Time, at the time and date provided for in the Closing Sequence, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Investor shall retain the Retained Liabilities and shall pay, discharge and perform, as the case may be, from and after the Closing Time, the Retained Liabilities.

4.3 Except as expressly retained pursuant to Section 4.3, all Liabilities of or relating to the Business, the Retained Assets, the Issuer or any predecessor of the Issuer, of any kind or nature, shall remain the sole responsibility of the Issuer, and the Investor shall not retain, accept or undertake any debt, obligation, duty, contract or liability of the Issuer and its affiliates of any kind whatsoever, except as expressly retained pursuant to Section 4.1, whether accrued, contingent, known or unknown, and specifically excluding (without limitation) the Excluded Liabilities, the Excluded Contracts, the Excluded Employees and the Excluded Employee Plans, which shall be transferred to, and shall be the sole responsibility of, ResidualCo 2, and from and after the Closing Time, neither the Issuer nor the Investor shall be liable for any such Excluded Liabilities, Excluded Contracts, Excluded Employees, and Excluded Employee Plans and the Issuer shall be forever irrevocably released and discharged from same.

5 SUBSCRIPTION PRICE

5.1 At or prior to the execution of this Agreement, the Investor has paid to the Monitor, in trust, a deposit in an amount equal to five percent (5%) of the estimated cash portion of the Subscription Price, being $50,665 (the "**Deposit**"). The Deposit shall be held by the Monitor in trust and, at Closing, shall be applied to the cash portion of the Subscription Price payable by the Investor. If the transactions contemplated by this Agreement are not completed as a result of the failure of the Investor to satisfy the conditions to Closing for which it is responsible, or the breach or default by the Investor of its obligations under this Agreement, the Deposit shall be forfeited to, and retained by, the Issuer in addition to any and all recourses of the Issuer, including for specific performance. If the transactions contemplated by this Agreement are not completed for any other reason, the Deposit shall be returned to the Investor without deduction and/or set off of any kind.

5.2 The subscription price for the Subscription Shares (the "**Subscription Price**") shall be an amount equal to the aggregate of the following:

5.2.1 the Credit Bid Amount;

5.2.2 an amount equal to the Priority Payables;

5.2.3 an amount equal to the Administrative Reserve Amount; and

5.2.4 the amount of the Retained Liabilities, including for certainty an amount equal to the Known Cure Costs.

5.3 The Subscription Price shall be paid and satisfied in full at Closing as follows:

5.3.1 the Credit Bid Amount shall be satisfied by way of the Credit Bid, namely by a credit against, set off of and in satisfaction of the Credit Bid Notes as authorized by the Reverse Vesting Order, and no cash shall be payable by the Investor in respect thereof;

5.3.2 the Priority Payables and the Administrative Reserve Amount (other than (i) amounts accrued and not yet owing in respect of the Priority Payables and (ii) the DIP) shall be paid in cash, by wire transfer of immediately available funds to the Monitor (or as the Monitor may direct), for payment to the Persons entitled thereto. For clarity, any amounts accrued and not yet owing in respect of the Priority Payables shall be retained by the Issuer on Closing and form part of the Retained Liabilities;

5.3.3 the amount of the DIP Obligations shall be paid in cash, by wire transfer of immediately available funds, to Garrington (or to the Monitor, in trust, for remittance to Garrington), in full and final satisfaction of the DIP Obligations;

5.3.4 the Known Cure Costs shall be paid in accordance with Section 3.3 and the balance of the Cure Costs, if any, shall be the responsibility of the Issuer following Closing and shall form part of the Retained Liabilities; and

5.3.5 the Issuer shall retain the Retained Liabilities and the Issuer shall, and the Investor shall cause the Issuer to, discharge such Retained Liabilities in accordance with their terms, and no cash shall be payable by the Investor in respect thereof.

5.4 Notwithstanding the foregoing and/or anything contained herein to the contrary, the Parties acknowledge and agree that, at any time following the date that the Investor is selected as or deemed to the be Successful Bidder up to not less than three (3) Business Days prior to the Closing Date, the Investor shall be permitted upon written notice to the Issuer and the Monitor to designate the Retained Note, or any portion thereof, as forming part of the Credit Bid Notes.

5.5 Following the Closing, the Monitor shall use the Administrative Reserve Amount solely for the purposes set forth in the definition of such term. Any portion of the Administrative Reserve Amount that is not used by the Monitor for the purposes set forth in the definition of such term (once such purposes have been completed or discharged to the reasonable satisfaction of the Monitor) shall be returned pursuant to a direction from the Investor.

6 EMPLOYEES AND EMPLOYEE BENEFITS

6.1 Subject to the Closing and the terms of this Section 5.5, the Employees, other than the Excluded Employees, shall continue in the employment of the Issuer on and after the Closing Date on terms no less favorable in the aggregate to those existing immediately prior to the Closing Date, and their prior service rendered to the Issuer shall be recognized. The Excluded Employees shall be transferred to, and shall become employees of, ResidualCo 2 pursuant to the Reverse Vesting Order. The Investor may designate Excluded Employees only by written notice to the Issuer and the Monitor delivered not later than five (5) Business Days prior to the Closing Date.

6.2 In this Agreement, “**Retained Employees**” shall mean those Employees (other than the Excluded Employees) who continue in the employment of the Issuer on and after the Closing Date, including any Employees whose employment continues with the Issuer by operation of applicable Law (including, in respect of Employees, section 9 of the *Employment Standards Act*, 2000 (Ontario)). For the avoidance of doubt, the Parties intend that the transactions contemplated by this Agreement shall not result in any severance, termination or redundancy payment in connection with the Retained Employees.

6.3 The Issuer shall comply with all obligations relating to the Retained Employees, whether contractual, statutory or otherwise under applicable Law, arising on or after the Closing Date, including with respect to future notices of termination of employment, pay in lieu thereof, termination or severance pay, and any change in the terms and conditions of employment.

6.4 From and after the Closing Date, the Issuer shall recognize all unused and accrued vacation or other paid time off of Retained Employees as at the Closing Date.

6.5 Effective as of the Closing Date, the Retained Employees shall cease to accrue benefits under all Excluded Employee Plans. The Issuer shall not assume any of the Excluded Employee Plans. The Issuer shall permit the Retained Employees to participate in benefit and pension plans sponsored or otherwise made available by the Issuer (the “**Replacement Plans**”), and shall cause each Replacement Plan to recognize the prior service of the Retained Employee rendered to the Issuer for purposes of eligibility to participate, vesting and entitlement to benefits, but not for the purpose of benefit accrual. Notwithstanding the foregoing and/or anything contained herein to the contrary, the Investor may update any Employee Plan to be designated as an Excluded Employee Plan by written notice to the Issuer and the Monitor delivered not later than July 15, 2026. Provided that no such update to the Excluded Employee Plans shall result in any change to the Subscription Price.

6.6 ResidualCo 2 shall be responsible for: (i) all liabilities for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Persons in the Business prior to the Closing Date; (ii) all liabilities under or in respect of the Excluded Employee Plans; (iii) the transfer of the Excluded Employees to ResidualCo 2, and all severance payments, damages for wrongful dismissal and all related costs in respect of the termination by ResidualCo 2 of the employment of any Excluded Employees; and (iv) all liabilities for claims for injury, disability, death or workers’ compensation in respect of the Business arising out of matters which occurred prior to the Closing Date.

6.7 Without limiting the Issuer’s obligations in respect of the Retained Employees on and after the Closing Date, the Issuer shall be responsible for all liabilities for salary, wages, bonuses, commissions, vacation pay and other compensation relating to employment of all Retained Employees on and after the Closing Date, all liabilities under or in respect of the Replacement Plans, and all severance payments, damages for wrongful dismissal and related costs in respect of the termination by the Issuer of the employment of any Retained Employee on or after the Closing Date.

7 REPRESENTATIONS AND WARRANTIES

7.1 Representations and Warranties of the Investor

The Investor represents and warrants on the Closing Date to the Issuer as follows and acknowledges and confirms that the Issuer is relying upon such representations and warranties in completing the Subscription Transaction:

7.1.1 if the Investor is a corporation, it is duly incorporated, organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation, and has the power, capacity and authority to subscribe for the Subscription Shares and to enter into and perform its obligations under this Agreement;

7.1.2 the execution and delivery of, and performance by the Investor of its obligations under, this Agreement have been duly authorized by all necessary action on the part of the Investor;

7.1.3 this Agreement constitutes a valid and binding obligation of the Investor enforceable against the Investor in accordance with its terms;

7.1.4 the Investor is the holder of the Notes and is entitled to credit bid the Notes in accordance with the CCAA and the SISP Procedures;

7.1.5 the Monitor and the Issuer will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Investor; and

7.1.6 the Investor has sufficient financial resources or has arranged sufficient financing to pay on Closing all cash amounts payable on Closing by the Investor hereunder (including the Priority Payables and the DIP).

7.2 **Representations and Warranties of the Issuer**

The Issuer represents and warrants to the Investor as follows and acknowledges and confirms that the Investor is relying upon such representations and warranties in entering into this Agreement and completing the Subscription Transaction:

7.2.1 subject to the granting of the Reverse Vesting Order, the execution and delivery of, and performance by the Issuer of its obligations under, this Agreement have been duly authorized by all necessary corporate action on the part of the Issuer;

7.2.2 subject to the Reverse Vesting Order, this Agreement constitutes a valid and binding obligation of the Issuer, enforceable against it in accordance with its terms; and

7.2.3 the Investor will not be liable for any brokerage commission, finder's fee or other similar payment in connection with the transactions contemplated by this Agreement because of any action taken by, or agreement or understanding reached by, the Issuer.

7.3 **No Other Representations and Warranties**

Notwithstanding any other provision of this Agreement, the Investor acknowledges, agrees and confirms that:

7.3.1 it is entering into this Agreement and subscribing for the Subscription Shares and the underlying acquisition of the Retained Assets on an "as is, where is" basis as they exist at the Closing Time, without any representation or warranty from the Issuer other than those set out in Section 7.2, and the retention of the Retained Assets (including the retention of the Retained Contracts) is made without legal warranty and at the Investor's own risk;

7.3.2 it has conducted to its satisfaction such independent searches, investigations and inspections of the Retained Assets and the Business as it deemed appropriate, and based solely thereon has determined to proceed with the transactions contemplated by this Agreement;

7.3.3 except as expressly stated in Section 7.2, neither the Issuer nor any other Person (including the Monitor) is making, and the Investor is not relying on, any representation, warranty, statement or promise, express or implied, statutory or otherwise, concerning the Subscription Shares, the Retained Assets, the Business or any other matter whatsoever, all of which are hereby waived in their entirety by the Investor; and

7.3.4 except as otherwise expressly provided in this Agreement, the Investor hereby unconditionally and irrevocably waives any and all actual or potential rights or claims it might have against the Issuer, the Monitor or any of their respective Representatives pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than the representations and warranties expressly set forth in Section 7.2.

This Section 7.3 is deemed incorporated by reference in all closing documents and deliveries and shall survive Closing. The Investor shall have no recourse or claim of any kind against the proceeds of the transactions contemplated by this Agreement following Closing, and acknowledges and confirms that it will have no recourse against the Issuer or the Monitor after Closing.

8 COVENANTS

8.1 The Issuer and the Investor shall collaborate with each other and use their commercially reasonable efforts to complete the Closing on the Target Closing Date, provided that the Monitor shall do so solely in its capacity as Monitor in the CCAA Proceedings.

8.2 Promptly following the execution of this Agreement, the Issuer, with the cooperation and support of the Investor as reasonably required, shall file with the Court a motion seeking the approval of the SISP Procedures (substantially in the form set out in Schedule A to the SISP Order), providing for, among other things, the recognition of this Agreement as a stalking horse bid, the manner in which bidders may submit a Superior Proposal, the auction procedures and the Minimum Overbid, the entitlement of the Investor to satisfy a portion of the Subscription Price by way of the Credit Bid. The Investor shall cooperate with the Issuer in its efforts to obtain the issuance and entry of the Reverse Vesting Order.

8.3 From and after the date of this Agreement and until the Closing Date, unless otherwise agreed by the Investor, the Issuer shall deliver to the Investor drafts of any and all pleadings, motions, notices, statements, applications, schedules, reports and other papers to be filed or submitted by the Issuer in connection with or related to this Agreement, including with respect to the SISP Procedures and the Reverse Vesting Order for the Investor's prior review at least two (2) Business Days in advance of service and filing, the whole in form and substance satisfactory to the Investor, acting reasonably.

8.4 During the Interim Period, the Issuer shall (i) implement the steps contemplated to occur prior to the Closing Time in the Closing Sequence, in accordance with the terms thereof and the Reverse Vesting Order, (ii) cooperate with the Issuer and its advisors to determine (A) any changes to the Closing Sequence that might be required or undertaken (provided that any such changes shall not cause an adverse material impact to the creditors of the Issuer, and that no decrease to the Subscription Price shall be required in connection with such changes) and (B) the manner and sequence in which the Closing Sequence may most effectively be undertaken, and (iii) execute and deliver or cause to be executed and delivered all such further documents and instruments and shall do or cause to be done all such further acts and things as the Issuer may request in order to effect the transactions contemplated by this Agreement, acting reasonably.

8.5 During the Interim Period, the Issuer shall continue to maintain the Retained Assets in substantially the same manner as conducted on the date of this Agreement and shall not dispose of any of the Retained Assets other than in the ordinary course of business unless otherwise agreed with the Investor.

8.6 Each Party shall collaborate with the other and deliver to the Monitor, not less than three (3) Business Days prior to the Closing Date, an updated Schedule 1.1.44 (Known Cure Costs) which, once updated, shall constitute Known Cure Costs for purposes of this Agreement and be paid on the Closing in accordance with Section 5.3.4.

8.7 Each Party shall comply with Privacy Law in the course of collecting, using and disclosing Personal Information in connection with the Subscription Transaction.

8.8 If, prior to the Closing Time, all or any material part of the Retained Assets are destroyed or materially damaged or seized by any Governmental Authority or any other Person in accordance with applicable Law, the Issuer shall promptly so notify the Investor, who shall have the option, in its discretion, exercisable by notice to the Issuer given prior to the Closing Time, either (i) to not complete the transactions contemplated by this Agreement, in which case this Agreement will terminate and the Deposit shall be immediately returned to the Investor without deduction and/or set-off of any kind, or (ii) to complete the transactions contemplated by this Agreement with no reduction in the Subscription Price.

8.9 The Issuer hereby indemnifies the Monitor and its Representatives, and shall save them fully harmless against, any Damages suffered, sustained, paid or incurred by any of them (i) to the extent arising or accruing on or after the Closing Date and relating to the Retained Assets (including the Retained Contracts) or the Retained Liabilities, (ii) in connection with the failure to pay any Cure Costs, and (iii) in connection with any Taxes which may be assessed against the Issuer.

8.10 The Issuer shall preserve and keep the Books and Records existing as of the Closing Date for a period of six (6) years after Closing, or for any longer period as may be required by applicable Law, and shall make such Books and Records available upon reasonable request, at such party's expense, to (i) the Monitor, its Representatives and their respective successors, (ii) any trustee, receiver, monitor and any of their Representatives, of ResidualCo 1 or ResidualCo 2, and (iii) any duly appointed Representative of ResidualCo 1 or ResidualCo 2.

9 CLOSING ARRANGEMENTS

9.1 The Closing shall take place at the Closing Time by electronic exchange of documents and funds, or at such other time on the Closing Date or such other place as may be agreed in writing by the Issuer, the Investor and the Monitor.

9.2 At the Closing, the Issuer shall deliver or cause to be delivered to the Investor: (i) the Subscription Shares, registered in the name of the Investor, which shall constitute all of the issued and outstanding shares in the capital of the Issuer; (ii) a true copy of the Reverse Vesting Order; and (iii) such other agreements, documents and instruments as may be reasonably required to complete the transactions provided for in this Agreement.

9.3 At the Closing, the Investor shall deliver or cause to be delivered to the Issuer: (i) confirmation of the Credit Bid and of the corresponding reduction of the Notes; (ii) the cash payment of the Priority Payables in accordance with Section 5.3.2; (iii) the cash payment of the DIP in accordance with Section 5.3.3; (iv) the payment of all Known Cure Costs in accordance with Section 3.3; (v) a bring-down certificate executed by a senior officer of the Investor (or by the Investor, if an individual) certifying that the Investor's representations and warranties remain true and correct in all material respects and that the conditions for the benefit of the Investor have been satisfied or waived; and (vi) such other agreements, documents and instruments as may be reasonably required by the Issuer or the Monitor to complete the transactions provided for in this Agreement.

10 CONDITIONS PRECEDENT

10.1 Conditions of the Investor

The Investor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below has been satisfied, it being understood that such conditions are included for the exclusive benefit of the Investor and may be waived only by the Investor, in whole or in part:

10.1.1 This Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures;

10.1.2 the Reverse Vesting Order, substantially in the form attached as Schedule 1.1.65 (Reverse Vesting Order) shall have been issued and entered by the Court (including authorization of the Credit Bid), shall not have been vacated, set aside, amended, modified, appealed or stayed, and shall be final, definitive and executory;

10.1.3 during the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final and non-appealable Order or Law which has the effect of making any of the transactions contemplated by this Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;

10.1.4 the steps scheduled to occur prior to the Closing Time in the Closing Sequence shall have occurred in accordance with the terms thereof and the Reverse Vesting Order;

10.1.5 the Issuer shall have executed and delivered to the Investor at the Closing all the documents contemplated in Section 9.2 that are to be executed by the Issuer; and

10.1.6 each of the representations and warranties of the Issuer contained in Section 7.2 shall be true and correct in all material respects as of the Closing Date.

10.2 Conditions of the Issuer

The Issuer shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below has been satisfied, it being understood that such conditions are included for the exclusive benefit of the Issuer and may be waived only by the Issuer, in whole or in part:

10.2.1 This Agreement, as may be amended in accordance with the SISP Procedures, shall have been designated as the Successful Bid in accordance with the SISP Procedures;

10.2.2 the Reverse Vesting Order, substantially in the form attached as Schedule 1.1.65 (Reverse Vesting Order) shall have been issued and entered by the Court (including authorization of the Credit Bid) and shall not have been vacated, set aside, amended, modified, appealed or stayed, and shall be final, definitive and executory;

10.2.3 during the Interim Period, no Governmental Authority shall have enacted, issued or promulgated any final and non-appealable Order or Law which has the effect of making any of the transactions contemplated by this Agreement illegal or otherwise prohibiting, preventing or restraining their consummation;

10.2.4 the Investor shall have executed and delivered to the Issuer at the Closing all the documents and payments contemplated in Section 9.3 that are to be made by the Investor (including the cash payment of the Priority Payables and the DIP and the payment for Known Cure Costs);

10.2.5 each of the representations and warranties of the Investor contained in Section 7.1 shall be true and correct in all material respects as of the Closing Date; and

10.2.6 the Investor shall have performed in all material respects all covenants, obligations and agreements contained in this Agreement required to be performed by the Investor on or before the Closing.

10.3 **Monitor's Certificate**

10.3.1 When the conditions to Closing set out in Sections 10.1 and 10.2 have been satisfied and/or waived, the Investor and the Issuer will deliver to the Monitor written confirmation that such conditions have been satisfied and/or waived (the "**Conditions Certificates**"). Upon receipt of payment in full of the cash portion of the Subscription Price, confirmation of the Credit Bid and the Conditions Certificates, the Monitor shall (i) issue forthwith its Monitor's Certificate concurrently to the Issuer and the Investor, at which time the Closing will be deemed to have occurred, and (ii) file as soon as practicable a copy of the Monitor's Certificate with the Court. The Parties hereby acknowledge and agree that the Monitor will be entitled rely on the Conditions Certificates and to file the Monitor's Certificate with the Court without independent investigation and will have no liability to the Issuer or the Investor or any other Person as a result of the filing of the Monitor's Certificate.

10.3.2 All actions taken and transactions consummated at the Closing shall be deemed to have occurred simultaneously, and no such transaction shall be considered consummated unless all are consummated.

10.3.3 The Investor acknowledges and agrees that (i) its obligations to consummate the transactions contemplated by this Agreement are not conditioned or contingent in any way upon receipt of financing from a third party, and (ii) failure to consummate the transactions as a result of the failure to obtain financing shall constitute a material breach of this Agreement by the Investor.

11 TERMINATION

11.1 This Agreement may be terminated on or prior to the Closing Date:

11.1.1 by the mutual written agreement of the Issuer, with the consent of the Monitor, and the Investor;

11.1.2 by the Investor or the Issuer if this Agreement is not the Successful Bid;

11.1.3 by the Investor or the Issuer: (i) upon the dismissal of the CCAA Proceedings; (ii) upon denial of the Reverse Vesting Order (provided that such decision has not been appealed by the Issuer or the Investor and the period to file any such appeal has expired); (iii) if the transactions contemplated by this Agreement are not completed by the Outside Date; or (iv) if it is required under any Order of a court of competent jurisdiction, including the Court;

11.1.4 by the Investor, if the Reverse Vesting Order has, without the Investor's prior written consent, been stayed, vacated or materially varied and the period to appeal such stay, vacating or variation has expired, or by written notice from the Investor to the Issuer in accordance with Section 8.8;

11.1.5 by written notice from the Investor to the Issuer if there has been a material breach by the Issuer of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.1 impossible) or, if curable, has not been cured within ten (10) Business Days following written notice; or

11.1.6 by written notice from the Issuer to the Investor if there has been a material breach by the Investor of any representation, warranty or covenant which is not curable (and has rendered satisfaction of a condition in Section 10.2 impossible) or, if curable, has not been cured within ten (10) Business Days following written notice.

11.2 Any termination of this Agreement pursuant to Section 11.1 (other than pursuant to Section 11.1.1) shall be given by written notice specifying in reasonable detail the basis for such Party's exercise of its termination rights, to the other Parties. If this Agreement is terminated pursuant to Section (i) 11.1.1 to 11.1.5, inclusive, then the Deposit shall be immediately returned to the Investor without deduction and/or set off of any kind or (ii) 11.1.6, then the Deposit shall be forfeited to, and retained by the Issuer in addition to any and all recourses of the Issuer, including for specific performance.

11.3 If this Agreement is terminated pursuant to Section 11.1, all further obligations of the Parties under this Agreement will terminate and no Party will have any Liability or further obligation hereunder, except for those provisions which by their terms survive termination (including Sections 8.6, 11.3, 13.1, 13.3, 13.4, 13.6, 13.7, 13.11, 13.12, 13.15 and 13.16). For the avoidance of doubt, any Liability incurred by a Party prior to termination shall survive such termination.

11.4 If this Agreement is terminated pursuant to Section 11.1.2, then the Issuer shall pay to the Investor the Expense Reimbursement from the proceeds of such closing by wire transfer of immediately available funds.

12 CONFIDENTIALITY

12.1 After the Closing Time, the Issuer shall, and shall cause its affiliates to, maintain the confidentiality of all confidential information relating to the Business and the Retained Assets, except any disclosure as may be required by applicable Law or as may be made to the Court and parties in interest in the CCAA Proceedings or as may be necessary for the purposes of the SISP Procedures. If the Issuer or any of its affiliates or Representatives become legally compelled to disclose any such information, the Issuer shall provide the Investor with reasonably prompt prior notice (to the extent legally permissible) and cooperate, at the Investor's expense, to obtain a protective order or similar remedy.

13 MISCELLANEOUS

13.1 Notices

Any notice or other communication required or permitted to be given under this Agreement shall be in writing and shall be effectively given if delivered personally, sent by prepaid courier, or sent by e-mail, in each case to the applicable address set out below (or such other address as any Party may designate by notice to the other Parties):

if to the Issuer, to:

FRESHSTONE BRANDS INC.
c/o Stikeman Elliott LLP
1155, René-Lévesque Boulevard West, 41st Floor
Montréal (Quebec) H3B 3V2
Attention: Leigh Wilson
Email: lnewton@homestyleselectionslp.com

with a copy to legal counsel to the Issuer:
Stikeman Elliott LLP
1155, René-Lévesque Boulevard West, 41st Floor
Montréal (Quebec) H3B 3V2
Attention : Guy Martel / Claire Zikovsky
Email : gmartel@stikeman.com / czikovsky@stikeman.com

if to the Monitor, to:

Deloitte Restructuring Inc.,
In its capacity as Monitor of Freshstone Brands Inc.
8 Adelaide Street West, Suite 200
Toronto (Ontario) M5H 0A9
Attention: Nigel Meakin / Shane Connolly
Email: nmeakin@deloitte.ca / sconnolly@deloitte.ca

with a copy to legal counsel to the Monitor:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King St W #6200
Toronto (Ontario) M5H 1H1
Attention: Marc Wasserman / Tiffany Sun
Email: mwasserman@osler.com / tsun@osler.com

if to the Investor, to:

Frank Burdzy (or his designated entity)
c/o Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto (Ontario) M2N 7E9
Email: fburdzy@homestyleselectionslp.com

with a copy to legal counsel to the Investor:
Chaitons LLP

5000 Yonge Street, 10th Floor
Toronto (Ontario) M2N 7E9
Attention: George Benchetrit / Alex Krancevic
Email: george@chaitons.com / alexk@chaitons.com

13.2 **Survival**

All representations, warranties, covenants and agreements made in this Agreement shall not survive the Closing except where, and only to the extent that, the terms of any such covenant or agreement expressly provide for rights, duties or obligations extending after the Closing. For greater certainty, Sections 7.3, 8.6, 8.9, 8.10, 12.1 13.1, 13.2, 13.3, 13.4, 13.6, 13.7, 13.11, 13.12, 13.14, 13.15 and 13.16 shall survive Closing.

13.3 **Expenses**

Except as otherwise expressly provided herein, each Party shall be responsible for all costs and expenses incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated hereby.

13.4 **Public Announcements**

The Issuer and the Monitor shall be entitled to disclose this Agreement and all information provided by the Investor in connection herewith to the Court and parties in interest in the CCAA Proceedings and as required for the SISP Procedures. Except as required by applicable Law or as required for the SISP Procedures, none of the Parties shall issue (prior to Closing) any press release or make any public statement with respect to this Agreement without the prior written consent of the other Parties. The Parties shall agree on the text of any press release to be issued in connection with this Agreement and any transaction contemplated herein.

13.5 **Force Majeure**

If a Party cannot fulfill its obligations under this Agreement due to any event or circumstance constituting force majeure (being an event or circumstance beyond its reasonable control that could not have been prevented by the exercise of reasonable diligence), then that Party's obligations shall be suspended during the period and to the extent that the event or circumstance continues to prevent such performance, except that a Party shall not be entitled to the benefit of this Section if the failure was caused by its failure to act in a reasonable and prudent manner.

13.6 **Enurement**

This Agreement shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns. The Investor shall be entitled to assign this Agreement to an entity to be incorporated by Frank Burdzy prior to Closing, provided that Frank Burdzy shall remain jointly and severally liable for the obligations of the Investor hereunder unless otherwise agreed by the Issuer and the Monitor.

13.7 **Third Party Beneficiaries**

Except with respect to the Monitor as expressly set forth in this Agreement, this Agreement is for the sole benefit of the Parties, and nothing herein, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy.

13.8 **Entire Agreement**

This Agreement, including its preamble and any schedule attached thereto, constitutes the entire agreement between the Parties and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

13.9 **Counterparts and Electronic Delivery**

This Agreement may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

13.10 **Amendments**

No amendment to this Agreement shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer, the Monitor and the Investor.

13.11 **No Waiver**

No Party shall be deemed to have waived any of its rights, powers or recourses unless such waiver is in writing and signed by an authorized signatory of such Party. A waiver on any one occasion shall not be construed as a bar to or waiver of any right on any future occasion.

13.12 **No Liability; Monitor Holding or Disposing Funds**

The Investor and the Issuer acknowledge and agree that the Monitor, acting in its capacity as Monitor of the Issuer in the CCAA Proceedings, and its affiliates and their respective directors, officers, employees, agents, advisors, lawyers, successors and assigns, will have no liability under or in connection with this Agreement whatsoever (including in connection with the receipt, holding or distribution of any portion of the cash portion of the Subscription Price), except in respect of its gross negligence or wilful misconduct, if such standard is required by applicable Law or by Order of the Court. In the event of any dispute regarding the holding or disposition of such funds, the Monitor may seek directions from the Court or hold the funds pending a written direction signed by the Issuer and the Investor or an Order of the Court.

13.13 **Further Assurances**

Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Agreement.

13.14 **Severability**

If any term, covenant or condition of this Agreement, or its application to any Person or circumstance, is to any extent prohibited, invalid or unenforceable in any jurisdiction, such term, covenant or condition shall be ineffective to the extent of such prohibition, invalidity or unenforceability without invalidating the remainder of this Agreement.

13.15 **Governing Law**

This Agreement shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

13.16 **Dispute Resolution and Attornment**

If any dispute arises with respect to the interpretation or enforcement of this Agreement, including as to what constitutes a breach or material breach, such dispute shall be determined by the Court within the CCAA Proceedings, or by such other Person or in such other manner as the Court may direct.

[*Signature page follows]*

WITNESS WHEREOF the Parties have signed this Agreement as of the date first indicated hereinabove.

ISSUER:

FRESHSTONE BRANDS INC.

Signed by:

Per: Leigh Wilson

27E820AD8B53409...

Name: Leigh Wilson
Title: Chief Development Officer

INVESTOR:

DocuSigned by:

EFF07FE5194A490...

FRANK BURDZY

Exhibit A – SISP Order

See attached.

Court File No. CL-26-00000265-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE	)	THURSDAY, THE 18th
	)	
JUSTICE W.D. BLACK	)	DAY OF JUNE, 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 ARRANGEMENT OF FRESHSTONE BRANDS INC.

SISP APPROVAL ORDER

THIS MOTION, made by Freshstone Brands Inc. (the "**Applicant**") pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") for an Order, substantially in the form included in the Applicant's Motion Record, was heard this day by judicial video-conference via Zoom.

ON READING the Motion Record of the Applicant, the affidavit of Mr. Frank Burdzy sworn June 8, 2026 (the "**Burdzy Affidavit**") and the affidavit of Ms. Leigh Wilson sworn June 12, 2026 (the "**Newton Affidavit**"), the Exhibits thereto, the pre-filing report of Deloitte Restructuring Inc. ("**Deloitte**") dated June 8, 2026, in its capacity as proposed monitor of the Applicant, and the First Report dated June 12 of Deloitte in its capacity as the court-appointed Monitor of the Applicant (in such capacity, the "**Monitor**"), filed;

ON HEARING the submissions of counsel for the Applicant, counsel for the Monitor, counsel for the DIP Lender, counsel for the Stalking Horse Bidder (as defined below) and such other counsel and parties listed on the Participant Information Form, no one else appearing for any party;

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that capitalized terms used in this Order and not otherwise defined herein shall have the meanings ascribed to them under the Sale and Investor Solicitation Procedures attached hereto as Schedule “A” (the “**SISP Procedures**”) or the Amended and Restated Initial Order dated June 18, 2026 (the “**ARIO**”), as applicable.

APPROVAL OF THE SISP AND THE SISP PROCEDURES

3. **THIS COURT ORDERS** that the SISP and the SISP Procedures, substantially in the form attached hereto, be and are hereby approved, and the Applicant, with the assistance of the Sale Advisor (as defined below), and under the supervision of the Monitor, is authorized and directed to carry out the SISP in accordance with the SISP Procedures and this Order, and is hereby authorized and directed to take such steps as it considers necessary or desirable in carrying out each of their obligations thereunder, subject to prior approval of this Court being obtained before the completion of any transaction(s) under the SISP.

4. **THIS COURT ORDERS** that the Applicant, the Monitor and their respective affiliates, partners, directors, officers, employees, advisors, lawyers, representatives, agents and controlling persons shall have no liability with respect to any and all losses, claims, damages or liability of any nature or kind to any person in connection with or as a result of performing their duties under the SISP, except to the extent such losses, claims, damages or liabilities arise or result from the gross negligence or wilful misconduct of any such person (with respect to such person alone), in performing their obligations under the SISP, as determined by the Court in a final order that is not subject to appeal or other review.

5. **THIS COURT ORDERS** that in overseeing the SISP, the Monitor shall have all of the benefits and protections granted to it under the CCAA, the ARIO and any other Order of this Court in the within proceeding, and that notwithstanding anything contained herein or in the SISP, the Monitor shall not take possession of any current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof of the Applicant (the "**Property**"), nor shall it be deemed to take possession of the Property.

APPROVAL OF STALKING HORSE BID

6. **THIS COURT ORDERS** that the Applicant is hereby authorized and empowered, *nunc pro tunc*, to execute, deliver and enter into the Subscription Agreement dated as of June 12, 2026 (the "**Stalking Horse Agreement**"), between the Applicant, as issuer, and Frank Burdzy, as investor and stalking horse bidder (the "**Stalking Horse Bidder**"), substantially in form attached as Exhibit "A" to the Newton Affidavit , together with such non-material amendments as may be acceptable to each of the parties thereto, and approved by the Monitor.

7. **THIS COURT AUTHORIZES** the Applicant to use the Stalking Horse Agreement as a "*stalking horse bid*" in the SISP (the "**Stalking Horse Bid**"). For greater certainty, nothing herein approves the transaction contemplated in the Stalking Horse Bid, and the approval of any transaction contemplated by the SISP shall be determined on a subsequent motion made to this Court.

8. **THIS COURT ORDERS** that the payment of the Expense Reimbursement (as such terms are defined in the Stalking Horse Agreement) pursuant to, and in accordance with the Stalking Horse Agreement, is hereby approved, and that the Property is hereby subject to a charge in the aggregate maximum amount of $50,000 (the "**Expense Reimbursement Charge**") in favour of the Stalking Horse Bidder, as security for the payment of Expense Reimbursement in the manner and circumstances set out in the Stalking Horse Agreement.

9. **THIS COURT ORDERS** that the Expense Reimbursement Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**") in favour of any Person and shall constitute a "Charge" (as defined in the Amended and Restated Initial Order also granted by this Court on June 18, 2026 (the "**ARIO**"), provided however that the Expense Reimbursement Charge shall rank subordinate to the Administration Charge, the DIP Lender's Charge and the Directors' Charge (as defined in the ARIO).

RETENTION OF SALE ADVISOR

10. **THIS COURT ORDERS** that the Applicant is hereby authorized to engage GlassRatner Advisory Canada Inc. as the Applicant's sale advisor (the "**Sale Advisor**") pursuant to the terms of the engagement agreement attached to the Initial Application Affidavit as Exhibit "T" (the "**Sale Advisor Engagement Letter**"). The Applicant is hereby authorized and directed to make the payments contemplated under the Sale Advisor Engagement Letter when earned and payable in accordance with its terms and conditions, which payments shall be secured by the Administration Charge (as defined in the ARIO), on a *pari passu* basis with the other beneficiaries of the Administration Charge.

11. **THIS COURT ORDERS** that the Sale Advisor and its controlling persons shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of its engagement by the Applicant as Sale Advisor or any matter referred to in the Sale Advisor Engagement Letter, except to the extent such losses, claims, damages or liabilities result from the gross negligence or wilful misconduct of the Sale Advisor or its controlling person(s), in performing its obligations under the Sale Advisor Engagement Agreement.

12. **THIS COURT ORDERS** that no action or proceeding shall be commenced directly, or by way of counterclaim, third party claim or otherwise, against or in respect of the Sale Advisor and its respective controlling persons, and all rights and remedies of any person against or in respect of them are hereby stayed and suspended, except with the written consent of the SISP Advisor, or with leave of this Court on notice to the Applicant, the Monitor and the Sale Advisor. Notice of any such motion seeking leave of this Court shall be served upon the Applicant, the Monitor and the Sale Advisor at least five (5) days prior to the return date of any such motion for leave.

13. **THIS COURT ORDERS AND DECLARES** that, unless agreed to by the Sale Advisor, the Sale Advisor shall be treated as unaffected in any Plan filed by any of the Applicant under the CCAA, or any proposal filed by any of the Applicant under the *Bankruptcy and Insolvency Act of Canada*, with respect to any of the Applicant's obligations under the Sale Advisor Engagement Agreement.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, the Applicant, the Sale Advisor and the Monitor, on behalf of the Applicant, and their respective advisors are hereby authorized and permitted to disclose and provide to each Prospective Bidder that is a party to a Confidentiality Agreement and their respective advisors, personal information of identifiable individuals, including employees of the Applicant, but only to the extent desirable or required to negotiate or attempt to complete a transaction pursuant to the SISP (a "**Transaction**"). Each Prospective 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 for the purpose of effecting a Transaction, and if it does not complete a Transaction, shall return all such information to the Applicant or the Monitor, as applicable, or, in the alternative, destroy all such information and provide confirmation of its destruction to the Applicant and the Monitor. The Successful Bidder shall maintain the privacy of such information and, upon closing of the Transaction contemplated in the Successful Bid, shall be entitled to use the personal information provided to it that is related to the Business and/or Property acquired pursuant to the SISP in a manner that is in all material respects identical to the prior use of such information by the Applicant, and shall return all other personal information to the Applicant or the Monitor, or ensure that all other personal information is destroyed and provide confirmation of its destruction to the Applicant and the Monitor.

ELECTRONIC CORRESPONDENCE

15. **THIS COURT ORDERS** that, pursuant to section 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS), the Applicant, the Sale Advisor and the Monitor are authorized and permitted to send, or cause or permit to be sent, commercial electronic messages to an electronic address of prospective bidders or offerors and to their advisors, but only to the extent required to provide information with respect to the SISP in these proceedings.

GENERAL

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

17. **THIS COURT ORDERS** that the Applicant or the Monitor may apply to this Court to amend, vary or supplement this Order or for advice and directions with respect to the SISP at any time.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States, to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicant and the Monitor and their respective agents in carrying out the terms of this Order.

19. **THIS COURT ORDERS** that each of the Applicant and the Monitor 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 Monitor 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.

SCHEDULE "A"
SISP PROCEDURES

SALE AND INVESTOR SOLICITATION PROCEDURES

FRESHSTONE BRANDS INC.

Recitals

A. On June 9, 2026, Freshstone Brands Inc. ("**Freshstone**") sought and obtained an initial order (as amended, supplemented or amended and restated from time to time, the "**Initial Order**") under Freshstone's proceedings commenced pursuant to the *Companies' Creditors Arrangement Act* ("**CCAA**" and the proceedings commenced thereby, the "**CCAA Proceedings**") from the Ontario Superior Court of Justice (Commercial List) (the "**Court**"), pursuant to which, among other things, Deloitte Restructuring Inc. was appointed as monitor in the CCAA Proceedings (in such capacity, the "**Monitor**");

B. On June 12, 2026, Freshstone and Mr. Frank Burdzy (in such capacity, the "**Stalking Horse Bidder**") executed a Subscription Agreement (the "**Stalking Horse Bid**") pursuant to which the Stalking Horse Bidder agreed, among other things: (i) to act as a "stalking horse bidder" in the context of a sale and investor solicitation process to be undertaken in the CCAA Proceedings, and (ii) if the Stalking Horse Bidder is determined to be the Successful Bidder (as defined herein), to subscribe for and purchase from Freshstone, the Subscription Shares (as defined in the Stalking Horse Bid), on the terms and conditions set out in the Stalking Horse Bid, with the existing equity interests being cancelled on closing such that Stalking Horse Bidder would become the sole shareholder of Freshstone (the "**Stalking Horse Transaction**").

C. Pursuant to an order of the Court dated June 18, 2026 (as it may be amended, restated or supplemented from time to time, the **"SISP Order**"), the Court authorized Freshstone, with the assistance of GlassRatner Advisory Canada, as sale advisor (the "**Sale Advisor**"), and under the supervision of the Monitor, to conduct and implement a sale and investor solicitation process in respect of Freshstone' business and assets, in accordance with the procedures, terms and conditions set out herein (as such process may be amended, restated or supplemented pursuant to the terms herein, the "**SISP**").

D. The property that is available for sale pursuant to the SISP (collectively, the "**Property**") is comprised of all property, assets and undertakings of Freshstone.

E. This SISP describes, among other things:

(a) the manner in which the opportunity to purchase some or all of the Property can be obtained;

(b) the manner in which Prospective Bidders may gain access to or continue to have access to due diligence materials concerning Freshstone and the Property and the timelines applicable thereto;

(c) the manner and timelines in which Prospective Bidders may submit an LOI for all or substantially all of the Property or any part thereof, and the required content of an LOI;

(d) the manner and timelines in which Qualified Phase I Bidders may submit a Qualified Bid and the required content of a Qualified Bid;

(e) the manner in which an Auction may be held in the event that more than one Qualified Bid is received in accordance with the SISP;

(f) the process and criteria for the ultimate selection of one or more Successful Bids; and

(g) the process for approval of one or more Successful Bids by the Court.

F. The SISP Order, the SISP, and any other orders of the Court made in the CCAA Proceedings relating to the SISP shall exclusively govern the process for soliciting and selecting bids for the sale of some or all of the Property or any part thereof.

G. Unless otherwise indicated herein, any event that occurs on a day that is not a Business Day shall be deemed to occur on the next Business Day.

Defined Terms

1. All capitalized terms used herein shall have the meanings given to them in Appendix "**A**" hereto.

Conduct of the SISP

1. Conduct of SISP. The SISP will be carried out by Freshstone, with the assistance of, and in consultation with, the Sale Advisor and the Monitor. Freshstone, the Sale Advisor and the Monitor are fully and exclusively authorized, empowered and directed to take any and all actions and steps pursuant to the SISP.

2. Advice and Directions. Either Freshstone or the Monitor may at any time seek advice and directions from the Court on notice to the Service List with respect to the conduct or any aspect of the SISP.

3. Consent to Jurisdiction of the Court. Each Qualified Phase I Bidder, upon being declared as such under the SISP, shall be deemed to have irrevocably and unconditionally attorned and submitted to the jurisdiction of the Court in respect of any action, proceeding or dispute in relation to the conduct or any aspect of the SISP.

4. Primary SISP Responsibilities. In connection with the SISP, Freshstone's primary responsibilities include:

   (a) assisting the Sale Advisor with the preparation of a list of Prospective Bidders;

   (b) assisting the Sale Advisor with preparing the Teaser Letter;

   (c) assisting legal counsel with the preparation of the template form of confidentiality agreement to be executed by Prospective Bidders (such confidentiality agreement and any other form of confidentiality agreement executed by a Prospective Bidder in favour of Freshstone, the "**Confidentiality Agreement**");

   (d) establishing and managing an electronic data room with confidential information in respect of Freshstone and the Property (the "**Data Room**");

(e) assisting legal counsel with the preparation of the template Form of Subscription Agreement;

(f) assisting the Sale Advisor with managing all communications with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, prior to and after receipt of the LOIs and Qualified Bids. These communications shall include, without limitation, facilitating the delivery of all communications, contacting Prospective Bidders and providing them with the Teaser Letter and coordinating the execution of the Confidentiality Agreements by Prospective Bidders, managing the process of answering all reasonable inquiries from Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders and arranging for site visits by Prospective Bidders, Qualified Phase I Bidders and Qualified Bidders;

(g) negotiating with Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders;

(h) reviewing and considering the LOIs and Qualified Bids; and

(i) if applicable, conducting an Auction in accordance with the SISP.

5. Summary of Key Dates. A summary of the key dates relevant to the conduct of the SISP is included herein in Appendix "**B**".

Sale and Investment Opportunities

6. Opportunity to Submit a Bid. Qualified Phase I Bidders will have the opportunity to submit a bid to purchase some or all of the Property substantially in the Form of Subscription Agreement (a "**Sale Proposal**"). Sale Proposals may be in respect of only a part or parts of the Property, and any such proposal will not be precluded from consideration as an acceptable LOI, Qualified Bid or Successful Bid.

"**As is, Where is**"

7. "As is, Where is" Basis. Any Sale Proposal shall be made on an "as is, where is" basis, without surviving representations or warranties of any kind, nature or description.

8. No Representations or Warranties. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives are not responsible for, and will have no liability with respect to, any information obtained by any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder in connection with the Property or Freshstone. Freshstone, the Sale Advisor, the Monitor, and any of their respective employees, officers, directors, agents, advisors and other representatives, do not make any representations or warranties whatsoever as to the information or the materials provided through the due diligence process or otherwise made available to any Prospective Bidder, Qualified Phase I Bidder, Qualified Bidder, Auction Bidder or Successful Bidder, including any information contained in the Teaser Letter or Data Room.

Solicitation of Interest

9. Solicitation Materials. Freshstone, with the assistance of the Sale Advisor, and in consultation with the Monitor, have or will:

(a) compile a listing (the "**Contact List**") of prospective purchasers and investors (collectively, "**Prospective Bidders**"), which Contact List will include parties who in Freshstone's reasonable business judgment may be interested in acquiring the Property or any part thereof;

(b) determine the appropriate advertising, if any, to be directed at Prospective Bidders, which may include newspaper, trade publication, internet or other advertising directed at Prospective Bidders;

(c) send to each Prospective Bidder a solicitation letter summarizing the acquisition opportunity with respect to the Property (the "**Teaser Letter**");

(d) send to each Prospective Bidder upon request a form of Confidentiality Agreement. The Prospective Bidders will be required, among other things, to sign a Confidentiality Agreement in order to gain access to confidential information (including access to the Data Room). For greater certainty, only Prospective Bidders who submit an executed Confidentiality Agreement, which is in form and substance acceptable to Freshstone, in consultation with the Monitor, shall have access to the Data Room and other confidential information and management presentations, if available; and

(e) provide to each Prospective Bidder who executes a Confidentiality Agreement a copy of this SISP and/or the Process Letter.

10. Restrictions on Access to Confidential Information. Freshstone reserves the right to limit any Prospective Bidder's or Qualified Phase I Bidder's access to any confidential information (including any information in the Data Room) and to customers and suppliers of Freshstone, where, in Freshstone's discretion, such access could negatively impact the SISP, the ability to maintain the confidentiality of the confidential information, or the value of the Property. Requests for additional information are to be made to the Sale Advisor.

Submission of Non-Binding Letters of Intent & Other Participation Requirements

11. LOI Deadline. Unless otherwise provided for herein, ordered by the Court or agreed to by the Monitor, in order to participate in the SISP and be considered for qualification as a Qualified Phase I Bidder, a Prospective Bidder must deliver to the Sale Advisor, with a copy to the Monitor (in each case, at the addresses set out in the Process Letter), so as to be received by the Sale Advisor not later than 5:00 p.m. (Toronto Time) on August 14, 2026, or such later date and/or time as Freshstone, in consultation with the Monitor, determines appropriate or as the Court may order (the "**LOI Deadline**"), the following:

(a) an executed Confidentiality Agreement;

(b) a non-binding letter of intent (a "**LOI**") which complies with the requirements of paragraph 12 below;

(c) to the extent not provided in the LOI, a letter setting forth the identity of the Prospective Bidder, the contact information for such Prospective Bidder, and the contact information for any business, financial or legal advisors retained or to be retained in connection with the contemplated transaction, and full disclosure of the direct and indirect owners of the Prospective Bidder and its principals; and

(d) to the extent not provided in the LOI or the Confidentiality Agreement, a written acknowledgement of receipt of a copy of the SISP Order (including the SISP) and agreeing to accept and be bound by the provisions contained therein or herein.

12. Requirements for LOIs: An LOI in respect of a Sale Proposal must include:

(a) a detailed listing and description of the Property to be included in the Sale Proposal and a detailed listing of the Property to be excluded from the Sale Proposal;

(b) the low and high range of the proposed subscription price for such Sale Proposal and an explanation of what contingencies and variables may influence where in the range the final subscription price will fall. For greater certainty, the low range of the proposed subscription price must exceed the Subscription Price of the Stalking Horse Bid;

(c) details as to the form of consideration for the Sale Proposal;

(d) an acknowledgment that the Sale Proposal will be made on an "as is, where is" basis;

(e) a list of the key material contracts and leases, if any, the Prospective Bidder wishes to retain and the Prospective Bidder's proposed treatment of any related "cure costs" and a list of the contracts and leases to be excluded from the Sale Proposal;

(f) a description of any liabilities and obligations to be assumed by the Prospective Bidder and the Prospective Bidder's estimated value of such assumed liabilities, and which such liabilities and obligations it does not intend to assume;

(g) a detailed description of any remaining due diligence required by the Prospective Bidder to be completed before making a Qualified Bid and an estimated timeline for the completion of such due diligence;

(h) any anticipated regulatory and other approvals required to close the proposed transaction and the anticipated time frame and any anticipated impediments for obtaining any such approvals;

(i) all material conditions to closing that the Prospective Bidder may wish to impose;

(j) the proposed target closing date and a timeline to closing with critical milestones;

(k) an indication as to whether the Prospective Bidder is intending to effect the Sale Proposal through a special purpose vehicle;

(l) any other terms and conditions which the Prospective Bidder believes are material to the transaction; and

(m) such other information reasonably requested by Freshstone or the Monitor.

13. Clarifications, Extensions and Waivers of LOIs. For greater certainty, Freshstone shall be entitled, either prior to or following the LOI Deadline, to seek to clarify the terms of an LOI or with respect to any of the other requirements of paragraph 12 above, and Freshstone, in consultation with the Monitor, may accept a revised, clarified LOI, provided that the initial LOI was received prior to the LOI Deadline. Freshstone may grant extensions to the LOI Deadline with the consent of the Monitor, and Freshstone shall comply with any other extensions of the LOI Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 12 and deem any non-compliant LOI to be a qualifying LOI.

Review of LOIs

14. LOI Criteria. Promptly following the LOI Deadline, Freshstone, in consultation with the Sale Advisor and the Monitor, will review and assess the LOIs and other materials submitted by Prospective Bidders, and in making such assessment will consider, among other things, the following (the "**LOI Criteria**"):

(a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Prospective Bidder) provided by such LOI;

(b) the evidence of the financial ability of the Prospective Bidder to consummate the

Sale Proposal;

(c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the LOI, relative to alternatives available to Freshstone;

(d) the nature and amount of debt and other liabilities and obligations to be assumed by the Prospective Bidder and which such liabilities and obligations it does not intend to assume;

(e) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and

(f) other factors affecting the speed, certainty and value of the Sale Proposal (including any remaining due diligence, regulatory approvals and other conditions required to close the Sale Proposal), including whether the Sale Proposal is reasonably likely to close on or before the target closing date indicated by the Prospective Bidder in its LOI.

Identification of Qualified Phase I Bidders

15. Determination of Qualified Phase I Bidders. Freshstone, in consultation with the Sale Advisor and the Monitor, shall apply the LOI Criteria and consider each LOI and the other materials submitted by a Prospective Bidder pursuant to paragraph 12 and determine whether it will be in the best interests of Freshstone to permit the Prospective Bidder to continue to participate in the SISP based upon the terms set out in the applicable LOI (any such Prospective Bidder, a "**Qualified Phase I Bidder**"). The determination by Freshstone as to whether a Prospective Bidder is a Qualified Phase I Bidder will be made as promptly as practicable after such Prospective Bidder has satisfied the requirements described in paragraph 12 (subject to any waiver thereof under paragraph 13), and any clarification that may be sought by Freshstone pursuant to paragraph 13. For greater certainty, an LOI may be in respect of only a part or parts of the Property.

16. Notification of Qualified Phase I Bidders. If it is determined by Freshstone, in consultation with the Sale Advisor and the Monitor, that a Prospective Bidder is a Qualified Phase I

Bidder, the Sale Advisor will promptly notify the Prospective Bidder of such determination, and such Qualified Phase I Bidder will thereafter be provided an opportunity to complete due diligence and submit a binding offer in respect of such Sale Proposal. Except as otherwise provided for herein, no LOIs will be considered pursuant to the SISP after the LOI Deadline. Prospective Bidders not identified as Qualified Phase I Bidders by Freshstone will no longer be able to participate in the SISP or continue to have access to any confidential information in connection therewith.

17. Stalking Horse Bid to be Successful Bid if no Suitable LOI. If at any point before or after the LOI Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Phase I Bidders, the Stalking Horse Bid will be declared the Successful Bid and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.

Submissions of Binding Qualified Bids

18. Bid Deadline. Binding offers must be submitted in writing by a Qualified Phase I Bidder to the Sale Advisor, with a copy to the Monitor (in each case, at the address set out in the Process Letter) by September 29, 2026 (the "**Bid Deadline**").

Requirements for Qualified Bid

19. Requirements for Qualified Bids. A Sale Proposal (other than the Stalking Horse Bid), will be considered a "**Qualified Bid**" only if (i) it is submitted by a Qualified Phase I Bidder on or before Bid Deadline, and (ii) the Sale Proposal complies with the following requirements:

(a) it is a Superior Proposal;

(b) it fully discloses the identity of each person or entity that will be sponsoring or participating in the Sale Proposal, including the identification of the Qualified Phase I Bidder's direct and indirect owners and their principals, and the complete terms of such participation;

(c) it fully discloses any connections or agreements with Freshstone or any of its affiliates, any other bidder participating in the SISP or any officer, manager, director, member or equity or security holder of Freshstone or any of its affiliates;

(d) it contains evidence of authorization and approval from the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable, with respect to the submission, execution, delivery and closing of the transaction contemplated by the Sale Proposal;

(e) it includes a letter confirming that the Sale Proposal is a binding offer capable of acceptance by Freshstone, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;

(f) it includes (A) a duly authorized and executed subscription agreement based on the Form of Subscription Agreement; (B) all exhibits and schedules thereto, including a detailed description of the Property to be included and excluded from the proposed transaction, and such ancillary agreements as may be required by the Qualified Phase I Bidder with all exhibits and schedules thereto; and (C) a mark-up of the Form of Subscription Agreement showing all amendments and modifications made thereto;

(g) it includes a cash deposit in an amount equal to five percent (5%) of the cash subscription price contemplated therein, payable by wire transfer of immediately available funds (to a bank account specified by the Monitor) payable to the order of the Monitor, in trust, which will be dealt with in accordance with paragraphs 34 to 37, or such other form of deposit or amount as is acceptable to Freshstone and the Monitor (each, a "**Deposit**");

(h) it includes an acknowledgement and representation that the Qualified Phase I Bidder: (i) has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the assets to be acquired and liabilities to be assumed in making its bid, including the applicable Property; (ii) has not relied upon any written or oral statements, representations, promises, warranties or guaranties whatsoever, whether express or implied (by operation of law or otherwise), made by any person or party, including Freshstone, the Monitor and their respective employees, officers, directors, agents, advisors and other representatives regarding the applicable Property, the proposed transaction, the SISP, or any liabilities and obligations to be assumed or the completeness of any information provided in connection therewith, including but not limited, to (A) the enforceability, validity or status of any of the applicable Property, and (B) the nature and condition (environmental, financial and otherwise) of the applicable Property or Freshstone; (iii) is a knowledgeable, experienced and sophisticated purchaser with respect to the applicable Property; and (iv) has been provided the opportunity to conduct any and all due diligence it deemed appropriate and is relying on its own due diligence and expertise and that of its own consultants, accountants, and legal and tax advisors in making its Qualified Bid;

(i) it includes either written evidence of a firm, irrevocable commitment for all required funding and/or financing from a credit-worthy bank or financial institution, or other evidence of financial ability to close the transaction, that will allow Freshstone, in consultation with the Monitor, to make a reasonable determination as to the Qualified Phase I Bidder's (and its direct and indirect owners') financial and other capabilities to consummate the transaction contemplated by the Sale Proposal; if the Qualified Phase I Bidder is an entity newly formed for the purpose of the transaction, or if the Qualified Phase I Bidder intends to complete the sale transaction through a special purpose vehicle, (A) the direct and indirect equity holders or sponsors of such newly formed entity or special purpose vehicle must guarantee the special purpose vehicle's obligations under all definitive transaction documents, and (B) the Sale Proposal shall contain an equity or debt commitment letter from the parent entity or sponsor, which is satisfactory to Freshstone, in consultation with the Monitor, and names Freshstone as a third party beneficiary of any such commitment letter with recourse against such parent entity or sponsor;

(j) it shall not be conditional upon, among other things:

(i) the outcome of unperformed due diligence by the Qualified Phase I Bidder;

(ii) obtaining any financing; or

(iii) approval of the Qualified Bid by the Qualified Phase I Bidder's board of directors, investment committee, credit committee or comparable governing body, as applicable;

(k) it includes the anticipated time frame and any anticipated impediments for obtaining any regulatory or other approvals indicated in the executed purchase agreement as conditions to closing; and

(l) it provides a timeline to closing with critical milestones and provides for a closing of the proposed transaction by no later than the applicable Target Closing Date;

(i) it does not request or entitle the Qualified Phase I Bidder to any break-fee, termination fee, expense reimbursement or other type of compensation or payment; and

(ii) it contains such other information reasonably requested by Freshstone or the Monitor.

20. Stalking Horse Bid Deemed to be Qualified Bid. Notwithstanding the requirements for a Qualified Bid detailed in paragraph 19 above, the Stalking Horse Bid shall be deemed to be a Qualified Bid and the Stalking Horse Bidder shall be deemed to be a Qualified Bidder. Notwithstanding anything to the contrary herein, the Stalking Horse Bidder will not be required to provide a Deposit other than as provided for in the Stalking Horse Bid.

Assessment of Qualified Bids

21. Review of Qualified Bids. Promptly following the Bid Deadline, Freshstone, in consultation with the Sale Advisor and Monitor, will review and assess the Qualified Bids, other than the Stalking Horse Bid, in respect of a Sale Proposal, and in making such assessment will consider, among other things, the following (the "**Sale Proposal Bid Criteria**"):

(a) the subscription price and net value (including all assumed liabilities and other obligations to be performed by the Qualified Phase I Bidder) provided by such Qualified Bid;

(b) the firm, irrevocable commitment for financing the transaction or other evidence of ability to consummate the Sale Proposal;

(c) the claims, if any, likely to be created against Freshstone by the transaction contemplated by the Sale Proposal, relative to alternatives available to Freshstone;

(d) the nature and amount of debt and other liabilities to be assumed or acquired by the Qualified Phase I Bidder;

(e) the counterparties to the Sale Proposal;

(f) the proposed revisions to the Form of Subscription Agreement and the terms of the proposed sale transaction documents;

(g) the assets included in or excluded from the Sale Proposal;

(h) the planned treatment of stakeholders, including lenders, trade creditors and shareholders; and

(i) other factors affecting the speed, certainty and value of the Sale Proposal (including any regulatory approvals and other conditions required to close the Sale Proposal by the applicable Target Closing Date), including the likelihood of closing the Sale Proposal on or before the applicable Target Closing Date.

22. Clarifications, Extensions and Waivers of Qualified Bids. For greater certainty, Freshstone shall be entitled either prior to or following the applicable Bid Deadline, to seek to clarify the terms of a Qualified Bid and Freshstone, in consultation with the Monitor, may accept a revised, clarified Qualified Bid, provided that the initial Qualified Bid was received prior to the applicable Bid Deadline. Freshstone may grant extensions to the Bid Deadline with respect to any Qualified Bid with the consent of the Monitor, and Freshstone shall comply with any other extensions of the Bid Deadline as may be ordered by the Court. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 19, as applicable, and deem any non-compliant bid to be a Qualified Bid.

23. Identification of Suitable Qualified Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria and consider each Qualified Bid, other than the Stalking Horse Bid, upon its submission and determine whether it will be in the best interests of Freshstone to pursue a transaction on the terms set out in the applicable Qualified Bid. This determination by Freshstone will be made as promptly as practicable after the applicable Bid Deadline, and any clarification that may be sought by Freshstone pursuant to paragraph 22.

24. Stalking Horse Bid to be Successful Bid if no Qualified Bid other than the Stalking Horse Bid. If at any point before or after the applicable Bid Deadline Freshstone determines, in consultation with the Sale Advisor and the Monitor, that there are or will be no Qualified Bids other than the Stalking Horse Bid, or that it is appropriate to reject all Qualified Bids received (other than that submitted by the Stalking Horse Bidder) because none are in the best interests of Freshstone, the Stalking Horse Bid shall be deemed to be the Successful Bid, and Freshstone shall as soon as reasonably practicable file a motion with the Court on notice to the Service List for approval of the Stalking Horse Bid.

25. Next Steps if Qualified Bid(s) in addition to the Stalking Horse Bid. If, after consultation with the Sale Advisor and Monitor, Freshstone determines in its reasonable business judgment that one or more Qualified Bids in addition to the Stalking Horse Bid was received with respect to the Property that is in the best interests of Freshstone, then Freshstone shall conduct an auction (the "**Auction**") to determine the highest and/or best Sale Proposal. In the event that an Auction is to be held, the Stalking Horse Bidder and all Qualified Phase I Bidders who submitted a Qualified Bid that Freshstone determines, in consultation with the Sale Advisor and the Monitor, entitles such Qualified Phase I Bidder to participate in the Auction (each, an "**Auction Bidder**") will be promptly advised by the Sale Advisor of such determination. A Qualified Phase I Bidder not identified as an Auction Bidder will no longer be able to participate in the SISP or any Auction.

26. Discretion of Freshstone. Freshstone, upon consultation with the Sale Advisor and Monitor, and with the consent of the Monitor, where applicable, may at any time (including prior to or during an Auction), (a) reject any bid, other than the Stalking Horse Bid, that is (i)

inadequate or insufficient, (ii) not in conformity with the requirements of the CCAA, the SISP or any applicable orders of the Court, or (iii) contrary to the best interests of Freshstone; (b) in accordance with the terms hereof, accept bids not in conformity with the SISP to the extent that Freshstone determines, in its reasonable business judgment after consultation with the Sale Advisor and Monitor, that doing so would benefit Freshstone; (c) in accordance with the terms hereof, extend the LOI Deadline and/or Bid Deadlines, and/or change the date of an Auction; and/or (d) reject all bids, other than the Stalking Horse Bid. For greater certainty, Freshstone shall be under no obligation to accept the highest or best offer and the selection of the Successful Bid shall be entirely in the discretion of Freshstone after consultation with the Sale Advisor and Monitor.

Auction

27. Place and Time. If the Auction is to be conducted pursuant to paragraph 28, the Auction shall commence on a date and time and at a place to be determined by Freshstone, in consultation with the Sale Advisor and the Monitor, or as fixed by the Court. Notice of the place, date and time of the Auction will be delivered to all Auction Bidders by the Sale Advisor not less than three (3) Business Days before the date of the Auction.

28. Procedures for the Auction. Any Auction shall be conducted according to the following procedures:

(a) Notice of Participation. At least one (1) Business Day prior to the Auction, each Auction Bidder who has been notified by the Sale Advisor or Freshstone that it has qualified as an Auction Bidder must inform Freshstone whether it intends to attend the Auction; provided that in the event an Auction Bidder elects not to attend the Auction, such Auction Bidder's Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid;

(b) Participation at the Auction. Freshstone and its advisors (including the Sale Advisor), with the oversight of the Monitor, shall direct and preside over the Auction. Only Auction Bidders that have provided notice in accordance with paragraph 28(a) will be eligible to participate in the Auction. Only the authorized representatives (including legal counsel and other advisors) of each of the Auction Bidders, Freshstone, the Sale Advisor and the Monitor shall be permitted to attend the Auction. For the avoidance of doubt, the Stalking Horse Bidder shall be deemed to be an Auction Bidder.

(c) Anti-Collusion. Each Auction Bidder shall be required to confirm that: (i) it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, and if such Auction Bidder is a special purpose vehicle, each of the direct or indirect equity holders of such Auction Bidder shall be required to confirm that it has not engaged, and will not engage, in any collusion with respect to the bidding or any Sale Proposal, such confirmation, in each case, in form and substance satisfactory to Freshstone and the Monitor in their sole discretion; and (ii) its bid is a good-faith *bona fide* offer and it intends to consummate the proposed transaction if selected as the Successful Bid.

(d) Rounds. Bidding at an Auction shall be conducted in rounds. In each round, an Auction Bidder may submit no more than one Overbid. If at the end of any round of bidding, an Auction Bidder (other than the Auction Bidder who submitted the Opening Bid for such round) did not submit an Overbid, then such Auction Bidder shall be barred from participating in any further round of bidding at the Auction. Any Auction Bidder who submits an Overbid in a round, as well as the Auction Bidder who submitted the Opening Bid for such round shall be entitled to participate in the next round of bidding at the Auction.

(e) Determination of Opening Bids. Freshstone, in consultation with the Sale Advisor and Monitor, shall apply the Sale Proposal Bid Criteria to determine which Qualified Bid is the highest and/or best bid received by the Bid Deadline, which shall constitute the "Opening Bid" for the first round of an Auction. Freshstone, in consultation with the Monitor, shall follow the same process to determine the highest and/or best Overbid submitted in each round of an Auction, which shall constitute the "Opening Bid" for the following round. As soon as practicable prior to the start of the Auction, Freshstone shall distribute a copy of the Opening Bid for the first round to all Auction Bidders eligible to participate in the applicable Auction.

(f) Overbids. Subject to paragraph 28(g), all bids made at an Auction shall be Overbids and shall be made and received on an open, non-confidential basis and the identity of each Auction Bidder and all material terms of each Overbid shall be fully disclosed to all other Auction Bidders participating in the applicable round of the applicable Auction. The Sale Advisor shall maintain a transcript of the Opening Bids and all Overbids made and announced at an Auction.

(g) Requirements for Overbids. A Sale Proposal submitted at an Auction will be considered an "**Overbid**" only if it complies with the following requirements:

(i) *Minimum Consideration*. The amount of the subscription price shall not be less than the subscription price or consideration of the Opening Bid of the applicable round of such Auction, plus an amount (the "**Minimum Overbid Increment**") to be set by Freshstone, in consultation with the Sale Advisor and Monitor; and

(ii) *Qualified Bid Criteria*. Except as modified herein, an Overbid shall comply with all requirements for a Qualified Bid as set forth in paragraph 19 (including in respect of its binding and irrevocable nature, and being open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid); provided, however, that the Bid Deadline shall not apply and Overbids need not be accompanied by additional cash deposits during the Auction.

(h) Determination and Announcing Highest Overbids. At the end of each round of bidding, Freshstone, in consultation with the Sale Advisor and Monitor, shall (i) review each Overbid made in such round, (ii) in its reasonable business judgement, identify the highest and/or best such Overbid in accordance with paragraph 28(e), and (iii) announce to all Auction Bidders entitled to participate in the next round of bidding the terms of the highest and/or best Overbid and the identity of the Auction

Bidder who submitted such Overbid. Such highest and/or best Overbid shall be the Opening Bid for the next round of such Auction.

(i) Adjournments. Freshstone shall have the right, in its reasonable business judgment, and after consultation with the Sale Advisor and Monitor, to make one or more adjournments in an Auction to, among other things: (i) facilitate discussions between Freshstone, the Monitor and individual Auction Bidders; (ii) allow individual Auction Bidders to consider how they wish to proceed; (iii) consider and determine the current highest and/or best Overbid at any given time during the Auction; and (iv) give Auction Bidders the opportunity to provide Freshstone with such additional evidence as it may require, in its reasonable business judgment and in consultation with the Sale Advisor and Monitor, to show that the Auction Bidder's bid complies with the requirements of an Overbid (including in respect of the required internal corporate or credit committee approvals and evidence of sufficient funding commitments or other financial capability to consummate the proposed transaction).

(j) Closing the Auction. If, in any round of bidding, no new Overbid is made, such Auction shall be closed and Freshstone shall, in consultation with the Sale Advisor and Monitor, declare the last Opening Bid as the "**Successful Bid**" and the Auction Bidder submitting such Successful Bid the "**Successful Bidder**", and advise such Successful Bidder of such determination and all other applicable Auction Bidders that they are not a Successful Bidder. For greater certainty, the selection of a Successful Bid and a Successful Bidder shall not be deemed a rejection of any other Overbid or Qualified Bid and each Overbid and Qualified Bid shall remain binding, irrevocable and open for acceptance until at least 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid relating to the same Property.

(k) Successful Bidder's Deposit. To the extent not already provided, the Successful Bidder (except in the case the Stalking Horse Bidder is the Successful Bidder) shall, within two (2) Business Days of the conclusion of the Auction, provide the Monitor with an additional Deposit to increase its original Deposit to equal five percent (5%)

of the total cash subscription price contemplated by the Successful Bid.

(l) Clarifications of Overbids and Waivers. For greater certainty, Freshstone and the Monitor shall be entitled during the Auction, to discuss and clarify the terms of any and all Overbids and accept a revised, clarified Overbid, provided it is submitted before the end of the applicable round of bidding. Freshstone, in consultation with the Sale Advisor and Monitor, may waive strict compliance with any one or more of the requirements specified in paragraph 28(g), and deem any non-compliant Overbid to be a qualifying Overbid.

(m) Additional Procedures. Freshstone may, with the assistance of their advisors (including the Sale Advisor) and in consultation with the Monitor, adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction and that are not inconsistent with any of the provisions of the SISP or the SISP Order; provided that no such rules may change the requirement that all Overbids shall be made and received on an open, non-confidential basis, and all Auction Bidders entitled to participate in a further round of bidding shall be entitled to be present for all such bidding.

Approval Motion

29. Application to Court. After a definitive agreement in respect of a Successful Bid has been finalized in accordance with the SISP, Freshstone shall apply to the Court as soon as reasonably practicable for an order approving such Successful Bid and authorizing Freshstone to enter into any and all necessary agreements with respect to such Successful Bid and to undertake such other actions as may be necessary or appropriate to give effect to such Successful Bid (the "**Approval Motion**").

30. Closing Subject to Court Approval. The consummation of any transaction between a Successful Bidder and Freshstone is expressly conditional upon the approval of such Successful Bid by the Court at the Approval Motion. The presentation of a Successful Bid to the Court for approval does not obligate Freshstone to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. Freshstone will be deemed to have accepted a bid only when such bid has been approved by the Court

at the Approval Motion.

31. Scheduling of Approval Motion. The Approval Motion will be held on a date to be scheduled by the Court and to be heard as soon as possible. The Approval Motion may be adjourned or rescheduled by Freshstone, with the consent of the Monitor, by an announcement of the adjourned date at the Approval Motion or by notice to the Service List and no further notice shall be required.

32. Deemed Rejection. All Qualified Bids and Overbids (other than the Successful Bid) will be deemed rejected at 11:59 p.m. Toronto Time on the Business Day after the closing of a Successful Bid.

33. Statutory Approvals. For the avoidance of doubt, the approvals required pursuant to the terms hereof are in addition to, and not in substitution for, any other approvals required by the CCAA or any other statute or as otherwise required at law in order to implement a Successful Bid.

Treatment of Deposit

34. Investment of Deposit. All Deposits will be held by the Monitor in a trust account. No interest shall accrue or be paid on any Deposit.

35. Application of Deposit. If there is a Successful Bid, the Deposit paid by a Successful Bidder whose bid is approved by the Court, will be released by the Monitor to Freshstone and applied to the subscription price to be paid, or investment to be made, by such Successful Bidder upon closing of the approved transaction or as otherwise set out in the definitive agreement.

36. Return of Deposits. The Deposits of Qualified Phase I Bidders not selected as a Successful Bidder will be returned to such Qualified Phase I Bidders within ten (10) Business Days of the date of closing of the Successful Bid. If there is no Successful Bid, subject to the following paragraph 37, all Deposits will be returned to Qualified Phase I Bidders, within ten (10) Business Days of the date on which the SISP is terminated in accordance with the SISP.

37. Forfeit of Deposit. If (i) a Successful Bidder breaches any of its obligations under the terms of the SISP or any definitive transaction documentation, or (ii) a Qualified Phase I Bidder fails to complete the transaction contemplated by its Qualified Bid or Overbid if required by Freshstone to complete such transaction, then, in each case, such bidder's Deposit will be forfeited to Freshstone as liquidated damages and not as a penalty. Freshstone shall apply and use its share of any forfeited Deposit in a manner agreed upon by Freshstone and the Monitor.

Reservation of Rights and Conduct of the SISP

38. No Binding Agreement. The SISP does not, and will not be interpreted to, create any contractual or other legal relationship between Freshstone and any bidder, other than as specifically set forth in a Confidentiality Agreement and other definitive agreement that any such bidder may enter into with Freshstone.

39. Extension of Time Limits. Freshstone may from time to time extend any of the time limits set out in the SISP, as Freshstone determines appropriate, with the consent of the Monitor.

Miscellaneous

40. The SISP is solely for the benefit of Freshstone and nothing contained in the SISP Order or herein shall create any rights in any other person (including, without limitation, any Prospective Bidders, Qualified Phase I Bidders, Qualified Bidders and Auction Bidders, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the SISP Order.

41. Participants in the SISP are responsible for all costs, expenses and liabilities incurred by them in connection with the submission of any Qualified Bid, due diligence activities, and any further negotiations or other actions whether or not they lead to the consummation of a transaction, including, without limitation, any actions within the Auction.

42. The Monitor will oversee the conduct of the SISP and, without limitation to that supervisory role, the Monitor will participate in the SISP in the manner set out herein and in the SISP Order, and is entitled to receive all information in relation to the SISP.

43. Any amendments to the SISP may only be made by Freshstone with the written consent of the Monitor, or by further order of the Court.

APPENDIX "A"

DEFINED TERMS

The following capitalized terms shall have the following meanings when used in the SISP:

a. "**Approval Motion**" shall have the meaning given to it in paragraph 29;

b. "**Auction**" shall have the meaning given to it in paragraph 25;

c. "**Auction Bidder**" shall have the meaning given to it in paragraph 25;

d. "**Bid Deadline**" shall have the meaning given to it in paragraph 18;

e. "**Business Day**" shall mean any day other than (i) a Saturday or Sunday, or (ii) a day which is a statutory holiday in Toronto, Ontario;

f. "**CCAA**" shall have the meaning given to it in Recital A;

g. "**CCAA Proceedings**" means Freshstone's proceedings under the CCAA commenced by the Initial Order, under Court file no. CL-26-00000265-0000;

h. "**Confidentiality Agreement**" shall have the meaning given to it in paragraph 4(c);

i. "**Contact List**" shall have the meaning given to it in paragraph 9(a);

j. "**Court**" shall have the meaning given to it in Recital A;

k. "**Data Room**" shall have the meaning given to it in paragraph 4(d);

l. "**Deposit**" shall have the meaning given to it in paragraph 19(g);

m. "**Form of Subscription Agreement**" means the form of subscription agreement to be provided to Qualified Phase I Bidders who submitted an LOI in respect of a Sale Proposal as part of the SISP, based on the form of the Stalking Horse Bid;

n. "**Freshstone**" shall have the meaning given to it in Recital A;

o. “**Initial Order**” shall have the meaning given to it in Recital A;

p. “**Initial Overbid Amount**” means $250,000;

q. “**LOI**” shall have the meaning given to it in paragraph 11(b);

r. “**LOI Criteria**” shall have the meaning given to it in paragraph 14;

s. “**LOI Deadline**” shall have the meaning given to it in paragraph 11;

t. “**Minimum Overbid Increment**” shall have the meaning given to it in paragraph 28(g)(i);

u. “**Monitor**” shall have the meaning given to it in Recital A;

v. “**Monitor’s Website**” means the Monitor’s website for the CCAA Proceedings located at http://www.insolvencies.deloitte.ca/Freshstone;

w. “**Opening Bid**” shall have the meaning given to it in paragraph 28(e);

x. “**Overbid**” shall have the meaning given to it in paragraph 28(g);

y. “**Process Letter**” means a letter from the Sale Advisor to Prospective Bidders outlining, among other things, the SISP and the SISP timelines and which sets out the contact information for the Sale Advisor and the Monitor for the submission of any LOIs and Qualified Bids;

z. “**Property**” shall have the meaning given to it in Recital D;

aa. “**Prospective Bidders**” shall have the meaning given to it in paragraph 9(a), and “**Prospective Bidder**” shall mean any one of them;

bb. “**Qualified Bid**” shall have the meaning given to it in paragraph 19, as applicable, and “Qualified Bids” means more than one of them;

cc. “**Qualified Bidder**” shall mean a person who submits a Qualified Bid pursuant to the SISP and “Qualified Bidders” means more than one of them;

dd. “**Qualified Phase I Bidder**” shall have the meaning given to it in paragraph 15, and “Qualified Phase I Bidders” means more than one of them;

ee. “**Sale Advisor**” shall have the meaning given to it in the SISP Order;

ff. “**Sale Proposal**” shall have the meaning given to it in paragraph 6;

gg. “**Sale Proposal Bid Criteria**” shall have the meaning given to it in paragraph 21;

hh. “**Service List**” means the service list in the CCAA Proceedings as posted on the Monitor’s Website, as it may be updated from time to time;

ii. “**SISP**” shall have the meaning given to it in Recital B;

jj. “**SISP Order**” shall have the meaning given to it in Recital B;

kk. “**Successful Bid**” shall have the meaning given to it in paragraph 28(j);

ll. “**Successful Bidder**” shall have the meaning given to it in paragraph 28(j);

mm. “**Superior Proposal**” means a credible, reasonably certain and financially viable offer made by a Qualified Bidder that (i) provides for consideration in excess of the aggregate of the “Subscription Price” as defined in and contemplated by the Stalking Horse Transaction plus the Initial Overbid Amount, and (ii) Freshstone and the Monitor, each with the assistance of their legal advisors, consider to be better than the Stalking Horse Transaction;

nn. “**Target Closing Date**” shall mean the date or dates determined by Freshstone, in consultation with the Sale Advisor and the Monitor, and such later date or dates as Freshstone, in consultation with the Sale Advisor and the Monitor, may determine from time to time; and

oo. “**Teaser Letter**” shall have the meaning given to it in paragraph 9(c).

APPENDIX "B"

SUMMARY OF KEY DATES[1]

EVENT
PHASE 1
Qualified Phase I Bidders & LOI Deadline (By no later than August 14, 2026, at 5:00 p.m. (Toronto time)) LOI Deadline (for delivery of non-binding LOIs by Qualified Phase I Bidders in accordance with the SISP)
PHASE 2 (if suitable LOIs are received, which warrants to the continuation of the SISP onto Phase 2. If no suitable LOIs are received, Stalking Horse Bid shall be deemed to be the Successful Bid.)
Bid Deadline (By no later than September 29, 2026, at 5:00 p.m. (Toronto time)) Bid Deadline (for delivery of binding offers by Qualified Phase I Bidders in accordance with the SISP)
Closing – Successful Bid(s) (October 16, 2026) Anticipated deadline for closing of Successful Bid(s)

[1] The dates or time limits indicated in the table may be extended by Freshstone, in consultation with the Sale Advisor and with the consent of the Monitor, as Freshstone deems necessary or appropriate, or by order of the Court.

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

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

AND 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

SISP APPROVAL ORDER

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Lawyers for the Applicant

Schedule 1.1.10 – Closing Sequence

(a) First, the Investor shall pay the Subscription Price to the Monitor, to be held in escrow by the Monitor on behalf of the Investor;

(b) Second, (i) the Issuer shall be deemed to transfer to ResidualCo 1 the Excluded Assets in consideration for the issuance by Residual Co 1 of a non-interest bearing promissory note in the amount of $1.00 (the "**Promissory Note**"), and (ii) the Issuer shall be deemed to transfer to ResidualCo 2 the Excluded Liabilities and Excluded Contracts in consideration for the assignment of its rights under the Promissory Note in favour of ResidualCo 2;

(c) Third, the Retained Assets will be retained by the Issuer, free and clear of and from any and all Encumbrances (other than Permitted Encumbrances) pursuant to the Reverse Vesting Order and, for greater certainty, all of the Encumbrances, other than Permitted Encumbrances, affecting or relating to the Retained Assets are hereby expunged and discharged as against the Retained Assets, and the Retained Liabilities will be retained by the Issuer;

(d) Fourth, the following shall occur concurrently:

(i) The Issuer shall file the Articles of Amendment to provide for (x) the creation of a new class of common shares in the capital of the Issuer (being the Subscription Shares for purposes of this Agreement), and (y) the deemed cancellation for no consideration of all Equity Interests (other than the Subscription Shares) as well as any agreement, contract, plan, indenture, deed, certificate, subscription right, conversion right, pre-emptive right, option (including stock options or share purchase or equivalent plans) or other document or instrument governing or having been created or granted in connection with the share capital of the Company, the whole in accordance with and pursuant to the Reverse Vesting Order;

(ii) The Issuer shall issue the Subscription Shares to the Investor and the Investor shall subscribe for and purchase the Subscription Shares in accordance with the terms of this Agreement; and

(iii) The Subscription Price shall be released from escrow;

(e) Fifth, the Monitor shall be directed to (i) use a portion of the Subscription Price to pay the Priority Payables and the Known Cure Costs and (ii) retain a portion of the Subscription Price equal to the Administrative Reserve Amount, to be used for the purposes set forth in the definition of such term. Any balance of the Subscription Price shall be used distributed by the Monitor in accordance with further instructions and directions from the Court.

Schedule 1.1.30 – Excluded Assets

1. Any asset located at 1604 Victoria Street North, Kitchener, Ontario as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;

2. Any asset located at 1326 Victoria Street North, Kitchener, Ontario as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;

3. Any asset located at 500 Valleyview Drive, Delisle, Saskatchewan as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement;

4. Any asset located at 24 4 St, Charlottetown, Prince-Edward-Island as at the date hereof other than the assets situate on such premises that are designated by the Investor to be Retained Assets, which designation shall be made no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement; and

5. Any other asset designated as an Excluded Asset by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

Schedule 1.1.31 – Excluded Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:

    (a) 1604 Victoria Street North, Kitchener, Ontario;

    (b) 1326 Victoria Street North, Kitchener, Ontario

    (c) 500 Valleyview Drive, Delisle, Saskatchewan;

    (d) 24 4 St, Charlottetown, Prince-Edward-Island

2. Any Contracts exclusively related to the leased premises set out in paragraph 1 above; and

3. Any other Contract designated as an Excluded Contract by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

Schedule 1.1.32 – Excluded Employee Plans

1. Any Employee Plan designated as an Excluded Employee Plan by no later than July 15, 2026, subject to and in accordance with the terms set out in this Agreement.

Schedule 1.1.44 – Known Cure Costs

Known Cure Costs as of June 12, 2026:

1.	Due in respect of the premises leased by the Issuer and located at 1801, 1811, 1821 Albion Rd, Etobicoke, Ontario;	$26,508
2.	Due in respect of the premises leased by the Issuer and located at 1335 Fewster Dr, Mississauga, Ontario; and	$51,543
3.	Due in respect of the premises leased by the Issuer and located at 195 Steinway Blvd., Etobicoke, Ontario.	$211,749

Schedule 1.1.49 – Notes

Credit Bid Notes			
Note	Principal Outstanding	Accrued Interest / Fees to June 5, 2026	Total as at June 5, 2026
Second amended and restated secured promissory note dated as of May 8, 2026	$1,150,000.00	$210,292.70	$1,360,292.70
Amended and restated secured promissory note dated as of May 8, 2026	$2,000,000.00	$2,000,000.00	$4,000,000.00
Secured promissory note dated as of May 8, 2026	$2,000,000.00	$38,464.06	$2,038,464.06
		Total:	$7,398,756.76

Retained Note			
Note	Principal Outstanding	Accrued Interest / Fees to June 5, 2026	Total as at June 5, 2026
Retained Note	$2,750,000.00	$376.71	$2,750,376.71

Schedule 1.1.62 – Retained Employee Plans

1. Group Retirement Savings Plan and Deferred Profit Sharing Plan for Freshstone Brands Inc. issued by the Canada Life Assurance Company effective July 1, 2023 under Policy/Plan Number 76137;

2. Employee Benefit Plan issued by ClaimSecure Inc. under Policy Number 37769;

3. Class 1 Corporate and Support Group Benefits Plan issued by Industrial Alliance Life Insurance;

4. Class 1 Corporate and Support Group Health and Dental Benefits Plan issued by ClaimSecure Inc.;

5. Class 2 Hourly Full Time Group Benefits Plan issued by Industrial Alliance Life Insurance; and

6. Class 2 Hourly Full Time Group Health and Dental Benefits Plan issued by ClaimSecure Inc.

FIRST AMENDMENT TO THE SUBSCRIPTION AGREEMENT
(this "**Amendment**")

entered into as of July [15], 2026

BETWEEN **FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta

(the "**Issuer**");

AND **FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing

(the "**Investor**");

(the Issuer and the Investor are collectively referred to as the "**Parties**" and each individually a "**Party**").

PREAMBLE

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2026 in the file bearing number CL-26-00000265-0000 (the "**CCAA Proceedings**"), the Issuer obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (Canada), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the "**Monitor**");

WHEREAS pursuant to an order from the Court dated June 18, 2026 (the "**SISP Order**") in the CCAA Proceedings, the Issuer obtained authorization to conduct a sale and investment solicitation process, under the oversight of the Monitor;

WHEREAS pursuant to the SISP Order, the Court authorized the Issuer to enter into a subscription agreement with the Investor dated June 12, 2026 (the "**Subscription Agreement**") whereby Investor has agreed to act as a "stalking horse bidder" and, if selected as or deemed to be the Successful Bidder in accordance with the SISP Procedures, to subscribe for the Subscription Shares, and the Issuer has agreed to issue the Subscription Shares to the Investor subject to and in accordance with the terms and conditions set out therein; and

WHEREAS the Parties have agreed to amend certain terms of the Subscription Agreement effective the date hereof on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

1 DEFINED TERMS

The Parties hereby acknowledge and agree that capitalized words not otherwise defined herein shall have the meanings ascribed thereto in the Subscription Agreement.

2 AMENDMENT

The Parties hereby agree to amend the Subscription Agreement by replacing reference to "July 15, 2026" in Sections 4.1 and 6.5 and Schedules 1.1.30, 1.1.31 and 1.1.32 therein with reference to "July 28, 2026".

3 MISCELLANEOUS

3.1 Subject to the changes referred to in this Amendment, all other terms and conditions of the Subscription Agreement will remain in effect and are hereby confirmed and acknowledged.

3.2 Time is of the essence in the performance of the Parties' respective obligations hereunder and under the Subscription Agreement.

3.3 This Amendment shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

3.4 This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

3.5 This Amendment constitutes the entire agreement between the Parties with respect to the matters contemplated herein and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

3.6 No amendment to this Amendment shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer and the Investor.

3.7 Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Amendment.

3.8 This Amendment may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

[*Signature page follows]*

WITNESS WHEREOF the Parties have signed this Amendment as of the date first indicated hereinabove.

ISSUER:

FRESHSTONE BRANDS INC.

Per: ______________________________
Name: Leigh Wilson
Title: Chief Development Officer

INVESTOR:

____
FRANK BURDZY

SECOND AMENDMENT TO THE SUBSCRIPTION AGREEMENT

(this "**Amendment**")

entered into as of July 28, 2026

BETWEEN	**FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta (the "**Issuer**");
AND	**FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing (the "**Investor**");
	(the Issuer and the Investor are collectively referred to as the "**Parties**" and each individually a "**Party**").

PREAMBLE

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2026 in the file bearing number CL-26-00000265-0000 (the "**CCAA Proceedings**"), the Issuer obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (Canada), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the "**Monitor**");

WHEREAS pursuant to an order from the Court dated June 18, 2026 (the "**SISP Order**") in the CCAA Proceedings, the Issuer obtained authorization to conduct a sale and investment solicitation process, under the oversight of the Monitor;

WHEREAS pursuant to the SISP Order, the Court authorized the Issuer to enter into a subscription agreement with the Investor dated June 12, 2026 (the "**Original Subscription Agreement**") whereby Investor has agreed to act as a "stalking horse bidder" and, if selected as or deemed to be the Successful Bidder in accordance with the SISP Procedures, to subscribe for the Subscription Shares, and the Issuer has agreed to issue the Subscription Shares to the Investor subject to and in accordance with the terms and conditions set out therein;

WHEREAS the Original Subscription Agreement was amended pursuant to a first amendment dated July 15, 2026 (the "**First Amendment**");

WHEREAS for purposes of this Amendment, the Original Subscription Agreement and the First Amendment shall hereinafter be collectively referred to as the Subscription Agreement; and

WHEREAS the Parties have agreed to amend certain terms of the Subscription Agreement effective the date hereof on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

1 DEFINED TERMS

The Parties hereby acknowledge and agree that capitalized words not otherwise defined herein shall have the meanings ascribed thereto in the Original Subscription Agreement.

2 AMENDMENT

The Parties acknowledge and agree that the Subscription Agreement is hereby amended to permit the Investor to update any Contract to be designated as an Excluded Contract by written notice to the Issuer and the Monitor delivered not later than August 4, 2026. For clarity, the Investor acknowledges and agrees that (i) it has satisfied itself with respect to the Excluded Assets and the Excluded Employee Plans as set out in the Subscription Agreement and (ii) effective the date of this Amendment, it shall have no further rights to designate any additional assets and/or Employee Plans as Excluded Assets and/or Excluded Employee Plans, respectively.

3 MISCELLANEOUS

3.1 Subject to the changes referred to in this Amendment, all other terms and conditions of the Subscription Agreement will remain in effect and are hereby confirmed and acknowledged.

3.2 Time is of the essence in the performance of the Parties' respective obligations hereunder and under the Subscription Agreement.

3.3 This Amendment shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

3.4 This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

3.5 This Amendment constitutes the entire agreement between the Parties with respect to the matters contemplated herein and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

3.6 No amendment to this Amendment shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer and the Investor.

3.7 Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Amendment.

3.8 This Amendment may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

[*Signature page follows]*

WITNESS WHEREOF the Parties have signed this Amendment as of the date first indicated hereinabove.

ISSUER:

FRESHSTONE BRANDS INC.

Signed by:

Per: Leigh Wilson

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Name: Leigh Wilson
Title: Chief Development Officer

INVESTOR:

FRANK BURDZY

THIRD AMENDMENT TO THE SUBSCRIPTION AGREEMENT
(this "**Amendment**")

entered into as of August 14, 2026

BETWEEN **FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta

(the "**Issuer**");

AND **FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing

(the "**Investor**");

(the Issuer and the Investor are collectively referred to as the "**Parties**" and each individually a "**Party**").

PREAMBLE

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2026 in the file bearing number CL-26-00000265-0000 (the "**CCAA Proceedings**"), the Issuer obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (Canada), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the "**Monitor**");

WHEREAS pursuant to an order from the Court dated June 18, 2026 (the "**SISP Order**") in the CCAA Proceedings, the Issuer obtained authorization to conduct a sale and investment solicitation process, under the oversight of the Monitor;

WHEREAS pursuant to the SISP Order, the Court authorized the Issuer to enter into a subscription agreement with the Investor dated June 12, 2026 (the "**Original Subscription Agreement**") whereby Investor has agreed to act as a "stalking horse bidder" and, if selected as or deemed to be the Successful Bidder in accordance with the SISP Procedures, to subscribe for the Subscription Shares, and the Issuer has agreed to issue the Subscription Shares to the Investor subject to and in accordance with the terms and conditions set out therein;

WHEREAS the Original Subscription Agreement was amended pursuant to a first amendment dated July 15, 2026 and a second amendment dated July 28, 2026 (collectively, the "**Previous Amendments**");

WHEREAS for purposes of this Amendment, the Original Subscription Agreement and the Previous Amendments shall hereinafter be collectively referred to as the Subscription Agreement; and

WHEREAS the Parties have agreed to amend certain terms of the Subscription Agreement effective the date hereof on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

1 DEFINED TERMS

The Parties hereby acknowledge and agree that capitalized words not otherwise defined herein shall have the meanings ascribed thereto in the Original Subscription Agreement.

2 AMENDMENTS AND ACKNOWLEDGEMENT

2.1 From and after the date hereof, the Parties acknowledge and agree that the Subscription Agreement is hereby amended as follows:

2.1.1 the following definitions shall replace the definitions set out in the Subscription Agreement:

"**Excluded Contracts**" means all Contracts of the Issuer that are not Retained Contracts, and which are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order, including for certainty all Contracts of the Issuer listed in Schedule 1.1.31 (Excluded Contracts);

"**Excluded Employees**" means those Employees designated by the Investor, in its sole discretion, by written notice to the Issuer and the Monitor not later than five (5) Business Days prior to the Closing Date, whom the Investor elects not to retain, who are to be transferred to ResidualCo 2 pursuant to the Reverse Vesting Order;

"**Retained Contracts**" means all Contracts of the Issuer set out in Schedule 1.1.61 (Retained Contracts);

2.1.2 the definition of "Contracts" is hereby amended to add the following as the last sentence thereof:

"For greater certainty, Contracts shall not include contracts of employment for Employees, which shall be governed by the provisions set out in Article 6 of this Agreement."

2.1.3 Schedules 1.1.31 (Excluded Contracts) and 1.1.62 (Retained Employee Plans) are each deleted in their entirety and replaced with the applicable Schedules attached to the Amendment;

2.1.4 Schedule 1.1.61 (Retained Contracts) attached to this Amendment is hereby added as Schedule 1.1.61 to the Subscription Agreement; and

2.1.5 Section 4.1 of the Subscription Agreement is hereby amended to delete the last sentence thereof.

2.2 The Investor acknowledges and agrees that:

2.2.1 notwithstanding the amendments contemplated herein, there shall be no change to the Subscription Price; and

2.2.2 as of the date hereof, it has satisfied itself with respect to the Retained Contracts and it shall have no further rights to designate any additional Contracts as Retained Contracts and/or remove any Contracts currently designated as Retained Contracts. For clarity, as of the date hereof, there shall be no further revisions to the Contracts making up the Retained Contracts.

3 MISCELLANEOUS

3.1 Subject to the changes referred to in this Amendment, all other terms and conditions of the Subscription Agreement will remain in effect and are hereby confirmed and acknowledged.

3.2 Time is of the essence in the performance of the Parties' respective obligations hereunder and under the Subscription Agreement.

3.3 This Amendment shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

3.4 This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

3.5 This Amendment constitutes the entire agreement between the Parties with respect to the matters contemplated herein and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

3.6 No amendment to this Amendment shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer and the Investor.

3.7 Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Amendment.

3.8 This Amendment may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

[*Signature page follows]*

WITNESS WHEREOF the Parties have signed this Amendment as of the date first indicated hereinabove.

ISSUER:

FRESHSTONE BRANDS INC.

Signed by:
Leigh Wilson
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Per: ______________________________

Name: Leigh Wilson
Title: Chief Development Officer

INVESTOR:

DocuSigned by:
EFF67EE5194A496...

____
FRANK BURDZY

Schedule 1.1.31 – Excluded Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:

    (a) 1604 Victoria Street North, Kitchener, Ontario;

    (b) 1326 Victoria Street North, Kitchener, Ontario

    (c) 500 Valleyview Drive, Delisle, Saskatchewan;

    (d) 24 4 St, Charlottetown, Prince-Edward-Island; and

    (e) 1801 Albion Rd, Etobicoke, ON M9W 5S7;

2. The contracts, agreements and/or arrangement for services with:

    (a) Minz Global Screening (with an office located at: 1303 William Street, Montreal, Quebec, H3C 1R4) dated March 15, 2023, in respect of the provision of employment screening services;

    (b) Prime Source Staffing Inc. (with an office located at: 2985 Drew Road, Suite 112, Mississauga, Ontario, L4T 0A4) dated January 29, 2025, in respect of the provision of temporary workers;

    (c) 786 Employment Inc. (with an office located at: 2425 Matheson East, Suite 999A, Mississauga, Ontario, L4W 5K4) dated January 6, 2025, in respect of the provision of temporary workers;

    (d) Bell Combustion Limited (with an office located at: PO Box 31097, Richmond Hill, Ontario, L4C 0V3), in respect of the provision of boiler maintenance services;

    (e) Naylor Building Partnerships Inc. (with an office located at: 455 North Service Road East, Oakville, Ontario, L6H 1A5), in respect of the provision of mechanical, HVAC, refrigeration, electrical and/or plumbing services;

    (f) Air Solutions Canada Inc. (with an office located at: 29 Innovation Drive, Dundas, Ontario, L9H 7L8), in respect of the provision of air compressor maintenance and service;

    (g) The Morning Star Packing Company (with an office located at: 2211 Old Highway 99, Williams, California, 95987) dated December 2, 2024, in respect of the provision of processed tomato products;

    (h) One Source Food Solutions LLC (with an office located at: PO Box 490, Ridgefield, Washington, 98642), dated June 5, 2025, as revised by an agreement dated April 1, 2026, in respect of sales agreement no. 20250513B;

    (i) Hydra Security Inc. (with an office located at: 2005 Clark Blvd, Unit 3, Brampton, Ontario, L6T 5P8), in respect of the provision of security services;

(j) Allied Universal Security Services of Canada (with an office located at: 5580 Explorer Drive, Suite 300, Mississauga, Ontario, L4W 4Y1), in respect of the provision of security services;

(k) Marsan Foods ULC (with an office located at: 160 Thermos Road, Scarborough, Ontario, M1L 4W2) dated May 8, 2026, in respect of a restrictive covenant;

(l) GlassRatner Restructuring Inc. (with an office located at: 150 York Street, Suite 1600, Toronto, Ontario, M5H 3S5) dated March 25, 2026, in respect of the provision of interim management and fractional search services;

(m) Talent Sphere Staffing Solutions Inc. (with an office located at: 19-13085 Yonge Street, Richmond Hill, Ontario, L4E 0K2) dated April 16, 2026, in respect of the provision of recruitment services;

(n) Butler Operations Inc. (with an office located at: 4778 Bloomington Road, Stouffville, Ontario, L4A 4A4), in respect of waste disposal services;

(o) Shred-it – Stericycle Inc. (with an office located at: 2355 Waukegan Road, Bannockburn, Illinois, 60015), in respect of the provision of paper disposal services;

(p) Y.R.T. Janitorial Inc. (with an office located at: 136-3025 The Credit Woodlands, Mississauga, Ontario, L5C 2V3), in respect of the provision of janitorial services; and

(q) IT Weapons in respect of the provision of network support services;

3. Any Contracts exclusively related to the leased premises set out in paragraph 1 above; and

4. All other Contracts other than those out in Schedule 1.1.61 (Retained Contracts).

Schedule 1.1.61 – Retained Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:

   (a) 195 Steinway Boulevard, Etobicoke, Ontario, pursuant to an agreement with Granite Canadian Holdings Limited Partnership, as landlord, and a term from May 11, 2022 to May 31, 2037; and

   (b) 1335 Fewster Drive, Mississauga, Ontario, pursuant to an agreement with 126725 Canada Ltd., as landlord, and a term from April 10, 2026 to April 11, 2031;

2. The contracts, agreements and/or arrangement for services with:

   (a) Trenton Cold Storage Inc. in respect of the provision of 3PL warehousing services, 3-year term effective June 1, 2026;

   (b) Trenton Cold Storage Inc. in respect of “Schedule A1” Warehouse Contract and Rate Quotation - Equipment Amendment, 3-year term effective July 27, 2026;

   (c) Everest Freezers Inc. in respect of the provision of 3PL warehousing services, with a term effective July 2, 2026 to December 31, 2026;

   (d) Proactive Supply Chain Solutions Inc. in respect of the provision of 3PL warehousing services, with a three-month term effective July 15, 2026;

   (e) ADP in respect of payroll management services, with a contract effective April, 2021;

   (f) RBC Lease in respect of a general equipment leasing agreement, with a term effective September 13, 2019 to September 11, 2026;

   (g) Canada Life in respect of the provision of certain employee benefits with a term effective January 1, 2024;

   (h) Canada Life in respect of the provision of a deferred profit sharing plan, policy no. 7613, effective July 1, 2023;

   (i) Desjardins in respect of the provision of certain employee benefits, with a term effective January 1, 2024;

   (j) Claim Secure in respect of the provision of certain employee benefits, with a term effective January 1, 2024;

   (k) Industrial Alliance in respect of the provision of certain employee benefits, with a term effective May 1, 2026;

   (l) Paychex Inc. in respect of the provision of payroll services, with a contract effective June 7, 2021;

   (m) Paychex TPS in respect of the provision of payroll tax remittance services, with a contract effective June 7, 2021;

(n) Global MLX Consulting in respect of the provision of regulatory reporting services, with a term effective May 1, 2026 to May 31, 2027;

(o) Commport Communications Int. Inc. in respect of the provision of EDI processing services pursuant to a master services agreement effective November 1, 2023;

(p) Faxinating Solutions Inc. in respect of the provision of EDI processing services with a contract effective May 1, 2026;

(q) Navacord Insurance Services Alberta Inc. in respect of the provision of various coverages with a contract date of April 1, 2026;

(r) Asset Purchase Agreement with Marsan Foods ULC dated May 8, 2026;

(s) Canadian Food Inspection Agency (CFIA) SFFC License No. 4HFXBWXT, valid up to April 12, 2027;

(t) SQF Certificate of Conformity No. 71649, valid up to January 29, 2027;

(u) FDA Certificate of Registration (2026), bearing registration no. 11775333496;

(v) Costco Canada pricing and terms agreements;

(w) all active customer Contracts currently in existence save and except for any Contracts with the Campbell's Company; and

(x) all active supplier Code of Conduct agreements and ancillary documents currently in existence.

Schedule 1.1.62 – Retained Employee Plans

1. Group Retirement Savings Plan and Deferred Profit Sharing Plan for Freshstone Brands Inc. issued by the Canada Life Assurance Company effective July 1, 2023 under Policy/Plan Number 76137;

2. Out of Country Coverage Plan issued by Canada Life under Plan Number 174795;

3. Retirement Savings Plan and Deferred Profit Sharing Plan issued by Desjardins under Plan Number G004694;

4. Employee Benefit Plan issued by ClaimSecure Inc. under Policy Number 37769;

5. Class 1 Corporate and Support Group Benefits Plan issued by Industrial Alliance Life Insurance;

6. Class 1 Corporate and Support Group Health and Dental Benefits Plan issued by ClaimSecure Inc.;

7. Class 2 Hourly Full Time Group Benefits Plan issued by Industrial Alliance Life Insurance; and

8. Class 2 Hourly Full Time Group Health and Dental Benefits Plan issued by ClaimSecure Inc.

FOURTH AMENDMENT TO THE SUBSCRIPTION AGREEMENT
(this "**Amendment**")

entered into as of September 11, 2026

BETWEEN	**FRESHSTONE BRANDS INC.**, a corporation governed by the *Canada Business Corporations Act*, having its registered office at 4200 Bankers Hall West, 888 – 3rd Street S.W., Calgary, Alberta (the "**Issuer**");
AND	**FRANK BURDZY**, Chief Executive Officer of the Issuer, or an entity to be incorporated by him and designated prior to Closing (the "**Investor**");
	(the Issuer and the Investor are collectively referred to as the "**Parties**" and each individually a "**Party**").

PREAMBLE

WHEREAS pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated June 9, 2026 in the file bearing number CL-26-00000265-0000 (the "**CCAA Proceedings**"), the Issuer obtained protection from its creditors under the *Companies' Creditors Arrangement Act* (Canada), and Deloitte Restructuring Inc. was appointed as monitor of the Issuer in the CCAA Proceedings (in such capacity, and not in its personal or corporate capacity, the "**Monitor**");

WHEREAS pursuant to an order from the Court dated June 18, 2026 (the "**SISP Order**") in the CCAA Proceedings, the Issuer obtained authorization to conduct a sale and investment solicitation process, under the oversight of the Monitor;

WHEREAS pursuant to the SISP Order, the Court authorized the Issuer to enter into a subscription agreement with the Investor dated June 12, 2026 (the "**Original Subscription Agreement**") whereby Investor has agreed to act as a "stalking horse bidder" and, if selected as or deemed to be the Successful Bidder in accordance with the SISP Procedures, to subscribe for the Subscription Shares, and the Issuer has agreed to issue the Subscription Shares to the Investor subject to and in accordance with the terms and conditions set out therein;

WHEREAS the Original Subscription Agreement was amended pursuant to a first amendment dated July 15, 2026, a second amendment dated July 28, 2026 and a third amendment dated August 14, 2026 (collectively, the "**Previous Amendments**");

WHEREAS for purposes of this Amendment, the Original Subscription Agreement and the Previous Amendments shall hereinafter be collectively referred to as the Subscription Agreement; and

WHEREAS the Parties have agreed to amend certain terms of the Subscription Agreement effective the date hereof on the terms and conditions set forth in this Amendment.

NOW THEREFORE, in consideration of the foregoing and the respective covenants and agreements herein contained, the Issuer and the Investor agree as follows:

1 DEFINED TERMS

The Parties hereby acknowledge and agree that capitalized words not otherwise defined herein shall have the meanings ascribed thereto in the Original Subscription Agreement.

2 AMENDMENTS AND ACKNOWLEDGEMENT

2.1 From and after the date hereof, the Parties acknowledge and agree that the Subscription Agreement is hereby amended as follows:

2.1.1 the following definitions shall replace the definitions set out in the Subscription Agreement:

"**Permitted Encumbrances**" means the Encumbrances set out in Schedule 1.1.52 (Permitted Encumbrances);

2.1.2 The following sentence is added to the end of the definition of "Retained Liabilities" contained in Section 1.1.63:

For greater certainty, unremitted GST/HST as at the Closing Time, as set out in (vi) hereof, shall not include any claim or assessment made pursuant to Section 296 of the ETA;

2.1.3 Section 4.2 is hereby deleted in its entirety and replaced as follows:

Before the Closing Time, at the time and date provided for in the Closing Sequence, subject to the terms and conditions of this Agreement and the Reverse Vesting Order, the Issuer shall retain the Retained Liabilities and shall pay, discharge and perform, as the case may be, from and after the Closing Time, the Retained Liabilities.

2.1.4 Schedule 1.1.30 (Excluded Assets), Schedule 1.1.31 (Excluded Contracts), Schedule 1.1.44 (Known Cure Costs) and Schedule 1.1.61 (Retained Contracts) are each deleted in their entirety and replaced with the applicable Schedules attached to this Amendment; and

2.1.5 Schedule 1.1.52 (Permitted Encumbrances) attached to this Amendment is hereby added as a Schedule to the Subscription Agreement.

2.2 The Investor hereby designates the assets listed in Schedule 1.1.30(a) (Designated Retained Assets) as Retained Assets.

2.3 The Investor acknowledges and agrees that notwithstanding the amendments contemplated herein, there shall be no change to the Subscription Price.

3 MISCELLANEOUS

3.1 Subject to the changes referred to in this Amendment, all other terms and conditions of the Subscription Agreement will remain in effect and are hereby confirmed and acknowledged.

3.2 Time is of the essence in the performance of the Parties' respective obligations hereunder and under the Subscription Agreement.

3.3 This Amendment shall be construed, interpreted and enforced exclusively in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, to the exclusion of any conflict of law rule that would result in the application of the laws of another jurisdiction.

3.4 This Amendment shall enure to the benefit of and be binding upon the Parties and their respective successors and permitted assigns.

3.5 This Amendment constitutes the entire agreement between the Parties with respect to the matters contemplated herein and supersedes and replaces any and all other understandings, agreements, representations, negotiations, communications and discussions, written or oral, in relation to the subject matter hereof.

3.6 No amendment to this Amendment shall be binding on the Parties unless made in writing and signed by the authorized representatives of each of the Issuer and the Investor.

3.7 Each Party shall from time to time hereafter and upon any reasonable request of the other execute, acknowledge and deliver all such further acts, documents and instruments as may be reasonably necessary or desirable to implement and carry out the true meaning of this Amendment.

3.8 This Amendment may be executed in any number of counterparts (including by electronic means), each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument. Delivery by electronic transmission of an executed counterpart is as effective as delivery of an originally executed counterpart.

[*Signature page follows]*

WITNESS WHEREOF the Parties have signed this Amendment as of the date first indicated hereinabove.

ISSUER:

FRESHSTONE BRANDS INC.

Signed by:

Per: Leigh Wilson

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Name: Leigh Wilson
Title: Chief Development Officer

INVESTOR:

DocuSigned by:

EFF67FE5194A496...

FRANK BURDZY

Schedule 1.1.30 (Excluded Assets)

Nil.

Schedule 1.1.30(a) – Designated Retained Assets

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
Handtman	VF612H	
Handtman	VF612H	
Proseal Machine	GT1s	M-05581
Ribbon Mixer	RS23K546	RS-740557
Ribbon Mixer	28-2000	8157
Loma X-Ray	X	KXR48892-55F
Pallet Wrapper	Q400	QM053273
Liquiflex	AV2-2-CBHF	4364
Hot Kettle #1	2-3K	2213796
Hot Kettle #2	5009MS	37302-1
Onion Dicer	J05088	2301230
Garlic Dicer	RG-400I	
Cold Kettle #1		
Cold Kettle #2		
Eagle X-Ray		
Exhasut 1		
Exhasut 2		
Rotosieve		
GBT 300 CM Process Solutions		
Round Conveyor (Small)		
Round Conveyor (Large)		
Hopper Topper		
Norland T5000 Bottle Filler		

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
Bottle Sealer		
Rational Oven	SCCWE202G	
Norland BF3000 XLT		
Small Kronen Dryer		
Labelling Machine		
Handtman		
Fox C4 Pallet Wrapper		
Norland Shrink Pak 5000		
CT Consolidated Technologies		
Incline Conveyor 1		
Incline Conveyor 2		
FTNON		
Bilwinco 6292		
Homogenizer	159CV	
Ink Jet Printer	RX-SD160W	RXS03146207
Pump (Ribbon)	MR130-NNTC	97711053
200lb Scale	X320 / *9200	3351099 / *10564
Scale	SPEED WEIGH	5709339-5LA
Pump	M8	
Metal Detector (Pryor Pipeline)	PIPELINE SYSTEM	I9769
Metal Detector (Conveyor)	MET30+	51571/1
Transfer Pump	772	
Tape Machine	SB-2EX-STD	EZT1710C17071722

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
Tape Machine	720-1	C11021169
Tape Machine	720-1	8032116
Scale (60lb)	M2000 / 7060P	11886 / 86039
Reach Truck	750-R35TT	750-13-AC39130
Pressure Washer	1836SS	11096640-100018
Power Jack	8210	821-16-14187
Power Jack	WP3035-45	7A268392
Scissor Jack	PTH50S	7A278947
Ride-on Pallet Jack	PE4500-60	6A329111
Chiller		D29854
Discharge Conveyor		
Blancher		D29832
Infeed Conveyor		
Duct hood		
Exhaust hood		
Potato cooker doors pallet 1		
Control Panel		
Potato cooker doors pallet 2		
Exhaust adaptor		
Blancher	PB-8-4	1601
Chiller	PC-3	1604
Operator platform		
Incline infeed conveyor		
Rotary cooker screens 2 carts		

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
Blancher frame extension		
Discharge Chute for incline conveyor to rotary cooker		
Evaporator #1		
Evaporator #2		
Potato Mixer		
Potato Mixer Dumper		
Potato Cooker		
Metal Detector #1		S#13548
Metal Detector #2		S# 15263
Metal Detector #3		
Microcutter #1	MCH20	
Microcutter #2	MCH20	
Norwicki Tumbler	MA-2000PS	S# 22404037
Telesonic Machine	MLP-800-04L	181011
Multifiller #1	MPFSC-120	825
Multifiller #2	MPFSC-120	826
Box Former		
Skillet		
Stephan Mixer	VM300	
Case Washer		
Printer/Scanner 1		
Microwave 1		
TV Monitors 2		
TV Mount 1		

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
Office Chairs 10		
Credenza 1		
Refrigerator 1		
Complete Desk Units 3		
Filing Cabinets 4		
Banker Boxes - Files 30		
Marketing Materials 12		
Freezer 1		
Racking (2800 Linear Ft)		
MFP Copier/Printer		
Workstations (PCs & Monitors)		
Workstations (PCs & Monitors)		
Laserjet Printer		
Label Printer		
Dock & Monitors		
Small Printer		
Dock & Monitors		
Thermal Label Printer		
Label Printer		
Workstation (PCs & Monitors)		
Laptop (Carts)		
Label Printer (Carts)		

EQUIPMENT	MODEL (if applicable)	SERIAL NO. (if applicable)
RF Devices		
Network Switch		
CFIA Laptop		
CFIA Label Printer		
Network Switch		
Workstations (PCs & Monitors)		
Workstations (PCs & Monitors)		
Workstations (PCs & Monitors)		
Laserjet Printer		
Label Printer		
TV		
TV		
TV		
TV		
RF Devices		

Schedule 1.1.31 – Excluded Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:

   (a) 1604 Victoria Street North, Kitchener, Ontario;

   (b) 1326 Victoria Street North, Kitchener, Ontario

   (c) 500 Valleyview Drive, Delisle, Saskatchewan;

   (d) 24 4 St, Charlottetown, Prince-Edward-Island; and

   (e) 1801 Albion Rd, Etobicoke, ON M9W 5S7;

2. The contracts, agreements and/or arrangement for services with:

   (a) Minz Global Screening (with an office located at: 1303 William Street, Montreal, Quebec, H3C 1R4) dated March 15, 2023, in respect of the provision of employment screening services;

   (b) Prime Source Staffing Inc. (with an office located at: 2985 Drew Road, Suite 112, Mississauga, Ontario, L4T 0A4) dated January 29, 2025, in respect of the provision of temporary workers;

   (c) 786 Employment Inc. (with an office located at: 2425 Matheson East, Suite 999A, Mississauga, Ontario, L4W 5K4) dated January 6, 2025, in respect of the provision of temporary workers;

   (d) Bell Combustion Limited (with an office located at: PO Box 31097, Richmond Hill, Ontario, L4C 0V3), in respect of the provision of boiler maintenance services;

   (e) Naylor Building Partnerships Inc. (with an office located at: 455 North Service Road East, Oakville, Ontario, L6H 1A5), in respect of the provision of mechanical, HVAC, refrigeration, electrical and/or plumbing services;

   (f) Air Solutions Canada Inc. (with an office located at: 29 Innovation Drive, Dundas, Ontario, L9H 7L8), in respect of the provision of air compressor maintenance and service;

   (g) The Morning Star Packing Company (with an office located at: 2211 Old Highway 99, Williams, California, 95987) dated December 2, 2024, in respect of the provision of processed tomato products;

   (h) One Source Food Solutions LLC (with an office located at: PO Box 490, Ridgefield, Washington, 98642), dated June 5, 2025, as revised by an agreement dated April 1, 2026, in respect of sales agreement no. 20250513B;

   (i) Hydra Security Inc. (with an office located at: 2005 Clark Blvd, Unit 3, Brampton, Ontario, L6T 5P8), in respect of the provision of security services;

(j) Allied Universal Security Services of Canada (with an office located at: 5580 Explorer Drive, Suite 300, Mississauga, Ontario, L4W 4Y1), in respect of the provision of security services;

(k) GlassRatner Restructuring Inc. (with an office located at: 150 York Street, Suite 1600, Toronto, Ontario, M5H 3S5) dated March 25, 2026, in respect of the provision of interim management and fractional search services;

(l) Talent Sphere Staffing Solutions Inc. (with an office located at: 19-13085 Yonge Street, Richmond Hill, Ontario, L4E 0K2) dated April 16, 2026, in respect of the provision of recruitment services;

(m) Butler Operations Inc. (with an office located at: 4778 Bloomington Road, Stouffville, Ontario, L4A 4A4), in respect of waste disposal services;

(n) Shred-it – Stericycle Inc. (with an office located at: 2355 Waukegan Road, Bannockburn, Illinois, 60015), in respect of the provision of paper disposal services;

(o) Y.R.T. Janitorial Inc. (with an office located at: 136-3025 The Credit Woodlands, Mississauga, Ontario, L5C 2V3), in respect of the provision of janitorial services; and

(p) IT Weapons in respect of the provision of network support services;

3. Any Contracts exclusively related to the leased premises set out in paragraph 1 above; and

4. All other Contracts other than those out in Schedule 1.1.61 (Retained Contracts).

Schedule 1.1.44 (Known Cure Costs)

Contract	Amount Owing Pre-Filing	Amount Owing Post-Filing	Cure Cost
195 Steinway Blvd., Etobicoke, Ontario. Landlord - Granite Canadian Holdings Limited Partnership. May 11, 2022 to May 31, 2037.	$25,443.94	$0.00	$25,443.94
1335 Fewster Dr, Mississauga, Ontario Mississauga. Landlord – Ralph Murray. April 10, 2026 to April 11, 2031.	$35,283.66	$0.00	$35,283.66
Faxinating Solutions Inc. in respect of the provision of EDI processing services. Effective May 1, 2026.	$0.00	$95.02	$95.02
(PROP TAX) Treasurer, City Of Toronto	$102,409.78	$132,791.51	$235,201.29
Mississauga Taxes	$37,463.71	$0.00	$37,463.71
CFIA	$4,716.60	$0.00	$4,716.60
Total	**$205,317.69**	**$132,886.53**	**$338,204.22**

Schedule 1.1.52 – Permitted Encumbrances

Subject to and in accordance with the provisions of the Subscription Agreement, Permitted Encumbrances shall include:

1. the claims and/or charges relating to the Retained Note;

2. the Administration Charge; and

3. the security interests granted by the Issuer and evidenced by the following filing and registration numbers made pursuant to the *Personal Property Security Act* (Ontario):

Secured Party	Filing No.	Registration No.	Collateral Description
Frank E Burdzy	521400969	20251027 1707 9234 5166	I, E, A, O, MV
		20260312 1451 1590 1162	Renewal
Canadian Imperial Bank of Commerce	761338431	20200401 0901 9234 1092	I, E, A, O, MV
		20200414 1116 9234 1475	Amendment to reflect a change of debtor name pursuant to an amalgamation
		20230524 0955 9234 8158	Amendment to reflect a change in debtor address
		20260508 1557 9234 9434	Cash collateral pledged by the Debtor to the Secured Party pursuant to a cash collateral security agreement dated on or around May 8, 2026.

Schedule 1.1.61 – Retained Contracts

1. The lease agreements in respect of the following premises leased by the Issuer and located at:

   (a) 195 Steinway Boulevard, Etobicoke, Ontario, pursuant to an agreement with Granite Canadian Holdings Limited Partnership, as landlord, and a term from May 11, 2022 to May 31, 2037; and

   (b) 1335 Fewster Drive, Mississauga, Ontario, pursuant to an agreement with 126725 Canada Ltd., as landlord, and a term from April 10, 2026 to April 11, 2031;

2. The following contracts, agreements, arrangement, licenses and/or certificates or registrations with:

   (b) Trenton Cold Storage Inc. in respect of the provision of 3PL warehousing services, 3-year term effective June 1, 2026;

   (c) Trenton Cold Storage Inc. in respect of “Schedule A1” Warehouse Contract and Rate Quotation - Equipment Amendment, 3-year term effective July 27, 2026;

   (d) Everest Freezers Inc. in respect of the provision of 3PL warehousing services, with a term effective July 2, 2026 to December 31, 2026;

   (e) Proactive Supply Chain Solutions Inc. in respect of the provision of 3PL warehousing services, with a three-month term effective July 15, 2026;

   (f) ADP in respect of payroll management services, with a contract effective April, 2021;

   (g) Canada Life in respect of the provision of certain employee benefits with a term effective January 1, 2024;

   (h) Canada Life in respect of the provision of a deferred profit sharing plan, policy no. 7613, effective July 1, 2023;

   (i) Desjardins in respect of the provision of certain employee benefits, with a term effective January 1, 2024;

   (j) Claim Secure in respect of the provision of certain employee benefits, with a term effective January 1, 2024;

   (k) Industrial Alliance in respect of the provision of certain employee benefits, with a term effective May 1, 2026;

   (l) Paychex Inc. in respect of the provision of payroll services, with a contract effective June 7, 2021;

   (m) Paychex TPS in respect of the provision of payroll tax remittance services, with a contract effective June 7, 2021;

   (n) Global MLX Consulting in respect of the provision of regulatory reporting services, with a term effective May 1, 2026 to May 31, 2027;

(o) Navacord Insurance Services Alberta Inc. in respect of the provision of various coverages with a contract date of April 1, 2026;

(p) Asset Purchase Agreement with Marsan Foods ULC ("**Marsan**") dated May 8, 2026;

(q) Restrictive Covenant Agreement with Marsan dated May 8, 2026;

(r) Escrow Agreement with Marsan dated May 8, 2026;

(s) Transition Services Agreement with Marsan dated May 8, 2026;

(t) Canadian Food Inspection Agency (CFIA) SFFC License No. 4HFXBWXT, valid up to April 12, 2027;

(u) Canadian Food Inspection Agency (CFIA) SFFC License No. 3BYDXHBB;

(v) SQF Certificate of Conformity No. 71649, valid up to January 29, 2027;

(w) FDA Certificate of Registration (2026), bearing registration no. 11775333496;

(x) Certificate of Conformity number 101165 issued by the SQF Institute pursuant to the SQF Food Safety Code;

(y) Letter of Certification from the Kashruth Council of Canada;

(z) Membership with Fruit and Vegetable Dispute Resolution Corporation;

(aa) Costco Canada pricing and terms agreements;

(bb) Cash collateral agreement with Canadian Imperial Bank of Commerce dated May 8, 2026, in respect of a letter of credit issued on the Issuer's behalf;

(cc) all active customer Contracts currently in existence save and except for any Contracts with the Campbell's Company; and

(dd) all active supplier Code of Conduct agreements and ancillary documents currently in existence.

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

THIRD REPORT OF THE MONITOR

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