

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N :

ROYAL BANK OF CANADA

Applicant

- and -

ONYXA CANADA INC., ONYXA HOLDING GROUP INC., and
MOHSEN JABBAR-POOR

Respondents

IN THE MATTER OF AN APPLICATION PURSUANT TO
SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY* ACT,
R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE
***COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED**

SECOND REPORT OF KPMG INC.,
IN ITS CAPACITY AS RECEIVER AND MANAGER OF ONYXA CANADA INC. AND
ONYXA HOLDING GROUP INC.

September 28, 2026

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I. INTRODUCTION

1. Pursuant to an application by Royal Bank of Canada (“**RBC**” or the “**Lender**”) under section 243(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act*, KPMG Inc. (“**KPMG**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties (the “**Property**”) of Onyxa Canada Inc. (“**Onyxa Canada**”) and Onyxa Holding Group Inc. (“**Holding**”, and together with Onyxa Canada, collectively, the “**Debtors**”), including the real property municipally known as 157 Toryork Drive, Toronto, Ontario (the “**Toryork Property**”) by way of an order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), dated March 16, 2026 (the “**Receivership Date**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. On June 4, 2026, the Court granted an order (the “**June 4 Order**”) approving, among other things:
 - (a) the listing agreement dated April 30, 2026, between the Receiver and Avison Young Commercial Real Estate Services, LP (“**Avison Young**”) in respect of the Toryork Property;
 - (b) the marketing and sale process for the Toryork Property, including the engagement of Avison Young as broker in accordance with the terms described in the Toryork Broker Listing Agreement (as defined in the First Report);
 - (c) the activities of the Receiver as described in the report of the Receiver dated May 21, 2026 (the “**First Report**”); and
 - (d) the sealing of the confidential appendices to the First Report.
3. A copy of the June 4 Order is attached hereto as **Appendix “B”**.
4. The First Report provided, among other things, background information on the Debtors, the process undertaken by the Receiver in respect of Onyxa Canada’s inventory including the solicitation of proposals from various auctioneers and the process undertaken by the Receiver to solicit proposals from commercial real estate brokers to market and sell the Toryork

Property. A copy of the First Report (without appendices) is attached hereto as **Appendix “C”**.

5. Copies of materials filed in this proceeding are available on the Receiver’s website for this case at <https://kpmg.com/ca/Onyxa> (the “**Case Website**”).

II. PURPOSE OF REPORT

6. The purpose of this report (the “**Second Report**”) is to provide the Court with information pertaining to:
 - (a) the activities of the Receiver since the First Report;
 - (b) the sale process conducted by the Receiver in respect of Onyxa Canada’s inventory and personal property assets;
 - (c) the sale process conducted by the Receiver, with the assistance of Avison Young, in respect of the Toryork Property (the “**Toryork Sale Process**”);
 - (d) the proposed transaction pursuant to which, if approved by the Court, Jands Investments Inc. for a corporation to be incorporated (the “**Toryork Purchaser**”) would acquire the Toryork Property (the “**Transaction**”) as set out in the agreement of purchase and sale dated September 14, 2026 (the “**Sale Agreement**”);
 - (e) the Receiver’s recommendation that the Court make an order, substantially in the form of the draft Approval and Vesting Order (the “**Real Property AVO**”) included in the Receiver’s Motion Record, among other things:
 - (i) approving the Sale Agreement and the Transaction, and authorizing and directing the Receiver to take such steps as necessary to complete the Transaction; and
 - (ii) vesting title in and to the Toryork Property, free and clear of all liens, claims and encumbrances, except certain permitted encumbrances, with the Toryork Purchaser, upon the Receiver filing a certificate confirming, among

other things, the completion of the Transaction (the “**Receiver’s Certificate**”); and

- (f) the Receiver’s recommendation that the Court make an order, substantially in the form of the draft Distribution and Ancillary Relief Order included in the Receiver’s Motion Record, among other things:
 - (i) authorizing and directing the Receiver to make the Interim Distribution (as defined herein) from cash on hand, and any subsequent distributions as the Receiver may determine appropriate, to RBC on account of the indebtedness owing to RBC pursuant to the applicable loan and security documents (the “**Loan and Security Documents**”), provided that the aggregate distributions to RBC do not exceed the indebtedness owing to RBC from time to time pursuant to the Loan and Security Documents, and the Receiver retains such amounts as are required to address potential claims ranking in priority to RBC's security and the remaining costs and obligations of these Receivership Proceedings;
 - (ii) approving the Second Report and the actions, conduct and activities of the Receiver described herein; and
 - (iii) sealing the confidential appendices to the Second Report pending completion of the Transaction or further order of the Court.

III. TERMS OF REFERENCE

- 7. In preparing this Second Report, KPMG has relied upon unaudited financial information, discussions with management of the Debtors, the Debtors’ books and records, financial information prepared by the Debtors and discussions with the Lender and its legal counsel (collectively, the “**Information**”). In accordance with industry practice, except as otherwise described in the Second Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards (“**GAAS**”)

pursuant to the *Chartered Professional Accountants of Canada Handbook* and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.

8. The Receiver has prepared this Second Report in connection with its motion for the relief described in paragraph 6 above. The use of and reliance on this Second Report by any person or entity, other than the Court, shall, in all circumstances, be at such person's or entity's own risk.
9. Capitalized terms used but not defined in this Second Report have the meanings ascribed to them in the First Report, the Auction Agreement or the Sale Agreement.
10. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

IV. ACTIVITIES OF THE RECEIVER

11. The activities of the Receiver since the First Report have primarily included:
 - (a) attending before the Court in connection with the motion seeking approval of the Toryork Broker Listing Agreement, the marketing and sale process for the Toryork Property, approval of the First Report and related relief;
 - (b) attending at the Toryork Property on a periodic basis to inspect the condition of the Property located thereon;
 - (c) maintaining insurance in respect of the Property;
 - (d) responding to enquiries from stakeholders, including addressing questions or concerns of parties who contacted the Receiver on the toll-free telephone hotlines and/or general email account established by the Receiver for this proceeding;
 - (e) liaising with Service Canada with respect to WEPP and submitting WEPP claims on behalf of Onyxa Canada's former employees;
 - (f) reviewing the collectability of Onyxa Canada's outstanding accounts receivable and corresponding with customers regarding such outstanding accounts;

- (g) negotiating the retention of certain former employees of Onyxa Canada on a contract basis to assist the Receiver with obtaining financial and other information regarding the business of the Debtors;
- (h) reviewing and responding to correspondence received from former customers of Onyxa Canada, in respect of alleged ownership interests in the Inventory;
- (i) liaising with financial institutions regarding the Debtors' bank accounts, signing authorities and the return of funds received in error;
- (j) filing HST returns with CRA;
- (k) coordinating a trust account examination with CRA in respect of Onyxa Canada's payroll account;
- (l) liaising with Avison Young in respect of the marketing and sale process for the Toryork Property;
- (m) reviewing and evaluating offers received for the Toryork Property;
- (n) finalizing and executing the Sale Agreement;
- (o) corresponding with the Tenant regarding the receivership of the Debtors and the Transaction;
- (p) contacting prospective interested parties in connection with the sale of the Inventory, including facilitating due diligence efforts, responding to questions from interested parties and organizing site visits to the Toryork Property, as requested;
- (q) reviewing and evaluating proposals submitted by various auctioneers and liquidators in respect of Onyxa Canada's inventory and personal property assets, and ultimately engaging the Auctioneer to assist the Receiver with the marketing and sale of the Auction Assets;

- (r) consulting with the Lender in respect of the Receiver's evaluation of the liquidator and auctioneer proposals and alternative realization strategies for Onyxa Canada's inventory and personal property assets;
- (s) evaluating and coordinating the release of equipment stored by a third-party service provider in settlement of outstanding storage claims;
- (t) liaising with the Bankruptcy Trustee in respect of various aspects of this proceeding;
- (u) liaising with Chaitons in respect of various aspects of this proceeding;
- (v) liaising with the Lender in respect of various aspects of this proceeding;
- (w) attending to administrative matters, including maintaining the Case Website; and
- (x) preparing this Second Report and reviewing related motion materials.

V. INVENTORY SALE PROCESS

Auctioneer RFP

12. As described in the First Report, on or about March 18, 2026, the Receiver began soliciting interest from various auctioneers regarding the liquidation of Inventory.
13. The Receiver received proposals from three (3) of the solicited auctioneers (the "**Auctioneer Proposals**"). As described in the First Report, the indicated realizable values of the Inventory included in each of the Auctioneer Proposals was significantly lower than the approximately \$4.4 million book value reflected in Onyxa Canada's books and records. In light of the significant disparity between the Inventory's recorded book value and the realizations contemplated under the Auctioneer Proposals, the Receiver attempted to pursue alternative realization strategies with a view to maximizing recoveries for the estate.

Prospective Purchasers

14. The Receiver, pursuant to the powers granted to it by the Appointment Order and, in particular, paragraph 3(j) thereof, began soliciting interest from prospective purchasers regarding a sale of the Inventory.
15. The Receiver contacted potential interested parties with regard to the sale of all or part of the Inventory. In total, twenty-six (26) strategic parties (being companies that operate in the same industry with locations in the proximity of the Toryork Property (each a, “**Prospective Purchaser**”)) were contacted with regard to this opportunity and each of the Prospective Purchasers received an email containing background information on the proceedings, a non-confidential overview of the Debtors’ business, an inventory listing identifying the Inventory, a non-disclosure agreement (“**NDA**”) and information on next steps to explore the opportunity.
16. While the Receiver received inquiries from certain Prospective Purchasers regarding the Inventory, no Prospective Purchaser executed an NDA or advanced to a formal due diligence process.
17. Despite the Receiver’s efforts to market and sell the Inventory to the Prospective Purchasers, the Receiver did not receive any acceptable offers to purchase all or a substantial portion of the Inventory. Certain Prospective Purchasers expressed interest in acquiring limited quantities of higher-value inventory; however, the Receiver determined that pursuing such expressions of interest would have resulted in the estate retaining a disproportionate amount of lower-value and slower-moving inventory, thereby negatively impacting the realizations available through a potential subsequent liquidation process. As a result, the Receiver did not pursue any partial inventory sale opportunities and resumed its review of the Auctioneer Proposals with a view to selecting an Interested Auctioneer and implementing an auction process for the Inventory.
18. Following a thorough review of the Auctioneer Proposals and subsequent discussions with each auctioneer, the Receiver selected the Auctioneer as the successful auctioneer as its proposal provided the highest net recovery in respect of the Inventory.

Auction Services Agreement and Auction

19. Following negotiations, the Receiver finalized an auction services agreement with McDougall Auctioneers Ltd. (the “**Auctioneer**”) dated July 15, 2026 (the “**Auction Agreement**”). Pursuant to the Auction Agreement, the Receiver retained the Auctioneer as its exclusive agent for the limited purpose of conducting an online auction of the Inventory and certain additional assets added to the auction by the Receiver (collectively, the “**Auction Assets**”).
20. The Auctioneer conducted the online auction on August 31, 2026.
21. As of the date of this Second Report, the Auctioneer continues to coordinate the removal of purchased Auction Assets from the Toryork Property. The Auctioneer is also coordinating the removal and disposal of unsold Inventory and related site clean-up activities. As such, the Receiver has not received the Auctioneer’s final accounting of the auction proceeds.

VI. REAL PROPERTY SALE PROCESS

Background

22. As described in the First Report, the Receiver conducted a competitive process to identify a commercial real estate broker to assist the Receiver with the marketing and sale of the Toryork Property, which resulted in the Receiver engaging Avison Young pursuant to the Toryork Broker Listing Agreement.

Sale Process

23. Avison Young undertook the following activities with respect to the Toryork Property (among other things):
 - (a) assembled and organized due diligence materials including environmental, financial, leasing and other property-related information, established a virtual data room for prospective purchasers and coordinated access to the virtual data room upon execution of confidentiality agreements;
 - (b) prepared marketing materials relating to the Toryork Property, including a property brochure, photographs and other promotional materials;

- (c) the Toryork Property was listed on Multiple Listing Services and the Toronto Real Estate Board system on August 5, 2026;
 - (d) an email marketing campaign was run on August 5, 2026 whereby marketing packages were emailed to approximately 858 potential buyers;
 - (e) signage was installed at the Toryork Property on or around May 25, 2026;
 - (f) direct outreach efforts were undertaken, including telephone calls and email communications to approximately 103 potential buyers representing neighbouring property owners, local industrial users, prospective purchasers and cooperating brokerages; and
 - (g) conducted site tours and inspections of the Toryork Property, as requested, with prospective purchasers.
24. Prior to soliciting offers, the Receiver prepared a form of agreement of purchase and sale (the “**Template APS**”), which was made available to prospective purchasers of the Toryork Property through the virtual data room established by Avison Young. Parties were requested to submit offers using the Template APS, together with any proposed revisions thereto.
25. Avison Young, in consultation with the Receiver, established a bid deadline of September 9, 2026, by which interested purchasers were required to submit offers in respect of the Toryork Property (the “**Real Property Bid Deadline**”).
26. On or before the Real Property Bid Deadline, the Receiver received four (4) offers in respect of the Toryork Property from prospective purchasers (each, a “**Toryork Bidder**”).
27. Following the Real Property Bid Deadline, the Receiver reviewed the offers received from each Toryork Bidder. The Receiver determined not to pursue further negotiations with certain Toryork Bidders whose proposed purchase prices were materially lower than the leading offers received.
28. Avison Young, in consultation with the Receiver, engaged in further discussions with the leading Toryork Bidders with a view to maximizing recoveries for the estate. As a result of

these discussions, the Receiver obtained revised offers from the leading bidders reflecting improvements to the proposed purchase price and certain transaction terms. Following a review of the revised offers obtained from the leading Toryork Bidders, the Receiver entered into the Sale Agreement with the Toryork Purchaser.

29. The Receiver has prepared a schedule summarizing the key terms and comparing the offers submitted by each Toryork Bidder in the Toryork Sale Process (the “**Toryork Offer Summary**”), a copy of which will be filed separately with the Court as **Confidential Appendix “1”**.

VII. TRANSACTION

30. The key terms of the Sale Agreement are summarized as follows (all capitalized terms in this paragraph not defined in this Second Report have the meaning defined in the Sale Agreement):

- (a) Purchaser: Jands Investments Inc., for a corporation to be incorporated.
- (b) Vendor: KPMG Inc., solely in its capacity as Court-appointed receiver and manager of all the assets, undertakings and properties of Onyxa Holding Group Inc., and not in its personal or corporate capacity and without personal or corporate liability.
- (c) Purchased Assets: the Debtor's right, title and interest in: (i) the Toryork Property; (ii) the Fixtures and Chattels; and (iii) the Assumed Contracts. The Purchased Assets are being acquired on an “as is, where is” and “without recourse” basis and are to be vested in the Purchaser free and clear of all encumbrances other than the Permitted Encumbrances.
- (d) Tenant and Existing Lease: the Purchaser is acquiring the Toryork Property subject to the TEC Lease and is assuming the obligations associated with any Assumed Contracts selected by the Purchaser pursuant to the Sale Agreement.
- (e) Assumed Liabilities: include the Permitted Encumbrances and all Liabilities under the Assumed Contracts.

- (f) Permitted Encumbrances: consist of the encumbrances set out in Schedule “B” to the Sale Agreement, which are typical of transactions of this nature.
- (g) Purchase Price: redacted, given commercial sensitivity.
- (h) Deposit: redacted, given commercial sensitivity. As at the date of this Second Report, the Deposit has been paid to the Receiver's counsel and is being held in trust pending Closing.
- (i) Land Transfer Taxes: the Purchaser shall pay all land transfer taxes arising in connection with the transfer of the Purchased Assets pursuant to the Sale Agreement.
- (j) Harmonized Sales Tax: the Transaction shall be subject to HST, which shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the *Excise Tax Act* (Canada).
- (k) Closing Date: ten (10) days immediately following the date on which the Approval and Vesting Order is granted, or such other date as may be agreed to by the Purchaser and the Vendor in writing.
- (l) Closing Adjustments: adjustments shall be made as of 12:01 a.m. on the Closing Date for realty taxes, local improvement rates, municipal and provincial levies and charges, water rates and assessment rates and other items customarily adjusted in receivership real estate transactions.
- (m) Removal of Materials and Debris: prior to Closing, the Vendor is required, at its cost, to remove from the Toryork Property all materials, vehicles, equipment and debris that are property of the Debtor and do not form part of the Purchased Assets, and leave the applicable areas in a broom-swept condition.
- (n) Conditions: the Sale Agreement is conditional upon the Court granting the Approval and Vesting Order and the Approval and Vesting Order becoming Final. The Sale Agreement also contains Vendor and Purchaser closing conditions customary for a transaction of this nature.

31. A copy of the Sale Agreement redacted for commercially sensitive terms is attached hereto as **Appendix “D”**. A copy of the unredacted Sale Agreement will be filed separately with the Court as **Confidential Appendix “2”**.
32. In the event the Court approves the Sale Agreement, but the Transaction is not completed, the Receiver is of the view that efforts to remarket the Toryork Property may be impaired if the Toryork Offer Summary or unredacted Sale Agreement are made public at this time. In the circumstances, the Receiver is of the view that it is appropriate the Toryork Offer Summary and the unredacted Sale Agreement be sealed pending completion of the Transaction or further order of the Court.
33. The Receiver is recommending that this Honourable Court approve the Sale Agreement and Transaction for the following reasons:
- (a) prior to entering into the Sale Agreement, the Receiver with the assistance of Avison Young, conducted the Toryork Sale Process, which was comprehensive and included a broad canvassing of the market for potential purchasers of the Toryork Property, resulting in multiple parties expressing interest in purchasing the Toryork Property, and four (4) formal offers being submitted;
 - (b) the Transaction is the result of an extensive marketing process and subsequent negotiations with the leading bidders and represents the highest and best offer available for the Toryork Property in the circumstances;
 - (c) the Transaction contemplates the sale of the Toryork Property on an ‘as is, where is’ basis through which the Toryork Property will be transferred to the Toryork Purchaser free and clear of encumbrances (with certain limited exceptions);
 - (d) the Sale Agreement is only subject to the Court granting the Approval and Vesting Order and the Approval and Vesting Order becoming Final. The Vendor's and Purchaser's closing conditions are limited to customary bring-down, performance and document delivery conditions and do not include any financing, due diligence, environmental or other substantive purchaser conditions. As such, the Receiver is

not currently aware of any information that suggests the Transaction will not close following the issuance of the Approval and Vesting Order;

- (e) the Receiver and Avison Young have no reason to believe that continued marketing of the Toryork Property will result in a higher purchase price being obtained; and
- (f) prior to entering into the Sale Agreement, the Receiver consulted with the Lender (being the primary economic stakeholder in the Toryork Property), which has indicated that it is supportive of the Transaction.

VIII. PROPOSED DISTRIBUTION

RBC Credit Facilities

- 34. The Lender has advised the Receiver that, as of September 22, 2026, the Onyxa Canada Indebtedness and the Holding Indebtedness were approximately \$5,080,822 and \$5,116,347, respectively, inclusive of accrued interest and fees to such date. The Receiver further understands that the Onyxa Canada Indebtedness and Holding Indebtedness continue to accrue interest on a per diem basis. In addition, as of September 22, 2026, the Cost of Enforcement totalled approximately \$246,121. Accordingly, as of September 22, 2026, the RBC Secured Debt totalled approximately \$10,443,290.
- 35. The Receiver understands that the Lender is holding a guaranteed investment certificate with a value of approximately \$299,761 (the “**GIC**”) as collateral security for certain corporate credit card obligations of the Debtors.
- 36. The Receiver has obtained an independent legal opinion from its counsel, Chaitons LLP, with respect to the validity and enforceability of the security granted in favour of RBC under the laws of the Province of Ontario (the “**Security Opinion**”). Subject to the qualifications, assumptions, limitations and discussions contained therein, the Security Opinion provides that the security granted to RBC constitutes valid and enforceable security, creates valid security interests in the applicable collateral, and has been properly perfected or otherwise evidenced by the required registrations.

Potential Priority Claims

37. The security granted in favour of RBC is subject, or may be subject, to the following priority charges and security interests or claims in respect of the Property of the Debtors or the proceeds received therefrom:

- (a) the Receiver's Charge (as defined herein);
- (b) the Receiver's Borrowings Charge (as defined herein);
- (c) statutory claims pursuant to the BIA (the "**BIA Claims**"); and
- (d) other potential priority claims.

Receiver's Charge

38. Paragraph 18 of the Appointment Order secures the payment of the fees and disbursements of the Receiver and its counsel, both before and after the Receivership Date, as a first charge (the "**Receiver's Charge**"). As described later in this Second Report, the Receiver intends to establish a Reserve (as defined herein) from the net proceeds of the Transaction to ensure that sufficient funds are available to satisfy amounts that rank, or may rank, in priority to the secured indebtedness of RBC, including amounts secured by the Receiver's Charge.

Receiver's Borrowings Charge

39. Pursuant to paragraph 21 of the Appointment Order, the Receiver is authorized to borrow up to \$250,000, as it considers necessary or desirable, to exercise the powers and duties conferred upon the Receiver, which borrowings would be secured by a fixed charge on the Property (the "**Receiver's Borrowings Charge**") subordinate only to the Receiver's Charge. As of the date of this Second Report, no borrowings are outstanding and thus no amounts are subject to the Receiver's Borrowings Charge.

BIA Claims

40. The Receiver understands that the Debtors had liabilities as of the Receivership Date that rank, or may rank, in priority to the secured indebtedness of RBC:

- (a) approximately \$40,687 reflected in the books and records of Holding as owing to CRA in respect of pre-filing HST collected but not remitted for the February 1, 2024 to January 31, 2025 reporting period (the “**Holding Pre-Filing HST**”);
 - (b) approximately \$939,381 reflected in the books and records of Onyxa Canada as owing to CRA in respect of pre-filing HST collected but not remitted (the “**Onyxa Canada Pre-Filing HST**”);
 - (c) approximately \$7,102 in accrued wages and/or vacation pay liabilities owing to former employees of Onyxa Canada, of which approximately \$4,000 could be subject to a priority under section 81.4 of the BIA; and
 - (d) approximately \$17,990 to CRA in respect of pre-receivership payroll source deductions for the 2025 reporting period, of which the employee portion of source deductions would form a deemed trust.
41. While the Receiver has not received a proof of claim from CRA and CRA has not conducted a trust account examination in respect of the Holding Pre-Filing HST, the Receiver has conservatively treated the amount as a potential priority claim for the purposes of the proposed distribution and Reserve.
42. As described in the First Report, on or around April 1, 2026, Onyxa Canada Inc. was deemed to have made an assignment in bankruptcy pursuant to the BIA. Accordingly, the commencement of the bankruptcy proceedings reversed any potential priority claim that may otherwise have existed in respect of the Onyxa Canada Pre-Filing HST.
43. The Receiver understands that Holding did not have any employees or a CRA payroll account. Accordingly, the Receiver is not aware of any potential deemed trust claims, against Holding, in connection with the employee portion of source deductions withheld and not remitted to the CRA or any other potential priority claims of former employees for unpaid wages and/or vacation pay.

Other Potential Priority Claims

44. The Receiver notes that a lien in favour of His Majesty the King in right of Canada, as represented by the Minister of National Revenue, was registered against title to the Toryork Property on February 25, 2026 as instrument no. AT7014100. Based on its review of the registered encumbrances affecting the Toryork Property and in consultation with its counsel, the Receiver understands that the lien does not rank in priority to RBC's security against the Toryork Property.
45. Any outstanding municipal realty tax arrears of Holding will be addressed from the proceeds of the Transaction in accordance with the Sale Agreement and the applicable closing adjustments, prior to any Interim Distribution (as defined herein).

Proposed Interim Distribution

46. Following the closing of the Transaction, the Receiver will be in possession of the net sale proceeds from the Transaction (the "**Toryork Net Sale Proceeds**").
47. The Receiver intends to establish a reserve from the Toryork Net Sale Proceeds (the "**Reserve**") to fund, among other things:
- (a) the unpaid fees and disbursements of the Receiver and its counsel incurred in connection with this proceeding, together with the Receiver's estimate of future fees and disbursements required to complete the administration of the receivership;
 - (b) the potential priority claims described above, including the Holding Pre-Filing HST and any priority portion of the payroll source deductions and employee claims;
 - (c) a general reserve for unforeseen costs, liabilities, claims or expenses that may arise in connection with the completion of the receivership; and
 - (d) such other costs and expenses as may reasonably be required to complete the administration of the receivership.
48. The Receiver is of the view that the quantum of the Reserve will be reasonable and appropriate having regard to presently known or reasonably foreseeable claims, costs and obligations of these Receivership Proceedings.

49. Based on the Receiver's current estimates, the Receiver anticipates that the net proceeds of the Transaction, together with the GIC, will be sufficient to satisfy the RBC Secured Debt in full, subject to the establishment of the Reserve and the final determination of the amounts owing to RBC at the time of completion of the Transaction. The Receiver has also received a guaranteed minimum payment from the Auctioneer related to the Auction and expects to receive from the Auctioneer additional amounts following receipt and review of the Auctioneer's final accounting.
50. The Receiver respectfully requests that this Honourable Court issue an order authorizing and directing the Receiver to distribute the Toryork Net Sale Proceeds to RBC, less the Reserve, in an amount to be determined by the Receiver, acting reasonably, having regard to the matters described above, provided that such distribution does not exceed the indebtedness owing to RBC from time to time pursuant to the Loan and Security Documents (the “**Interim Distribution**”).
51. The proposed Distribution and Ancillary Relief Order further authorizes and empowers the Receiver to make such subsequent distributions to RBC as the Receiver may determine appropriate, without further order of the Court, provided that the aggregate distributions to RBC do not exceed the indebtedness owing to RBC from time to time pursuant to the Loan and Security Documents and the Receiver retains such amounts as are required to address potential claims ranking in priority to RBC's security and the remaining costs and obligations of these Receivership Proceedings.

IX. CONCLUSION AND RECOMMENDATION

52. Based on the foregoing, the Receiver recommends that this Court grant the relief as set out in its Notice of Motion.

All of which is respectfully submitted this 28th day of September, 2026.

KPMG Inc.
in its capacity as court-appointed receiver of
Onyxa Canada Inc. and Onyxa Holding Group Inc.
and not in its personal or corporate capacity

Per:



Pritesh Patel
CIRP, LIT
Senior Vice President



Manoj Oommen
CPA, CA
Manager

APPENDIX “A”



Court File No. CL-26-00000040-0000

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE	)	MONDAY, THE 16TH
	)	
JUSTICE CONWAY	)	DAY OF MARCH, 2026

ROYAL BANK OF CANADA

Applicant

- and -

ONYXA CANADA INC., ONYXA HOLDING GROUP INC., and MOHSEN JABBAR-POOR

Respondents

ORDER

(appointing Receiver)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing KPMG Inc. as receiver and manager (in such capacities, the "Receiver") without security, of all of the assets, undertakings and properties of Onyxa Canada Inc. ("**Canada**") and Onyxa Holding Group Inc. ("**Holding**", and collectively with Canada, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including the real property municipally known as 157 Toryork Drive, Toronto, Ontario, and legally described at Schedule "A" hereto (the "**Real Property**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Mark Arnold sworn February 5, 2026 and the Exhibits thereto, and the Supplemental Affidavit of Mark Arnold sworn March 2, 2026 and the Exhibits thereto, and on hearing the submissions of counsel for the Applicant, ^{and Mohsen Jabbar-Poor} no one else appearing although duly served as appears from the affidavit of service of Sydney Inghelbrecht sworn February 6, 2026 and on reading the consent of KPMG Inc. to act as the Receiver,

SERVICE

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

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, KPMG Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including the Real Property, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000.00, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000.00; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and

on behalf of and, if thought desirable by the Receiver, in the name of the Debtors, and/or in connection with the Real Property;

- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

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

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's

possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors and/or related to the Property, or statutory or regulatory mandates for the supply of goods

and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed

\$250,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at [https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part III The E-Service List](https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-%20commercial/#Part_III_The_E-Service_List) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on

transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL <https://www.kpmg.com/ca/onyxa>.

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

GENERAL

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

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

29. 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 Receiver and its 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 Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtors' estate with such priority and at such time as this Court may determine.

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

**Justice Barbara
Conway**

Digitally signed by Justice
Barbara Conway
Date: 2026.03.16 12:34:01 -04'00'

Justice Conway, Ontario Superior Court of Justice

SCHEDULE "A"

The Real Property

PIN: 10299-0107 (LT)

PARCEL 15-3 SECTION B5936, PART BLOCK 15 PLAN 5936, PARTS 58, 59, & 60
66R12710, TWP OF YORK/NORTH YORK, CITY OF TORONTO

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KPMG Inc., as receiver and manager (in such capacities, the "**Receiver**") without security of all of the assets, undertakings and properties of Onyxa Canada Inc. ("**Canada**") and Onyxa Holding Group Inc. ("**Holding**" and collectively with Canada, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including the real property municipally known as 157 Toryork Drive, Toronto, Ontario, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ____ day of _____, 20__ (the "**Order**") made in an action having Court file number CL-26-00000040-0000, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

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

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

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

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

DATED the ____ day of _____, 20__.

KPMG Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

ROYAL BANK OF CANADA

-and-

ONYXA CANADA INC., et al.

Applicant

Respondents

Court File No.CL-26-00000040-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO, ONTARIO

ORDER

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Barristers & Solicitors
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Lawyers for the Applicant,
Royal Bank of Canada

APPENDIX “B”

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE MADAM

)

THURSDAY, THE 4TH

JUSTICE J. STEELE

)

DAY OF JUNE, 2026

)

ROYAL BANK OF CANADA

Applicant

- and -

**ONYXA CANADA INC., ONYXA HOLDING GROUP INC., and
MOHSEN JABBAR-POOR**

Respondents

ORDER

THIS MOTION, made by KPMG Inc., in its capacity as court-appointed receiver and manager (in such capacity, the “**Receiver**”) of the assets, undertakings, and properties of Onyxia Canada Inc. and Onyxia Holding Group Inc. (collectively, the “**Debtors**”) acquired for, or used in relation to a business carried on by the Debtors, including the real property municipally known as 157 Toryork Drive, Toronto, Ontario and legally described in PIN 10299-0107 (LT) (the “**Toryork Property**”), for the relief set out in its Notice of Motion, was heard this day by videoconference.

ON READING the First Report of the Receiver dated May 21, 2026 (the “**First Report**”), and the appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present at the hearing, no one else appearing although properly served as appears from the affidavit of service, filed:

SERVICE AND CAPITALIZED TERMS

1. **THIS COURT ORDERS** that the time for service and filing 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 but not defined herein have the meanings given to them in the First Report.

TORYORK BROKER LISTING AGREEMENT

3. **THIS COURT ORDERS** that the listing agreement dated April 30, 2026 (the “**Toryork Broker Listing Agreement**”) entered into between the Receiver and Avison Young Commercial Real Estate Services, LP (“**Avison Young**”) in respect of the Toryork Property is hereby approved.
4. **THIS COURT ORDERS** that the marketing and sale process for the Toryork Property, including the engagement of Avison Young as broker on the terms described in the Toryork Broker Listing Agreement and the First Report, be and is hereby approved.

ACTIVITIES OF THE RECEIVER

5. **THIS COURT ORDERS** that the Receiver’s activities as described in the First Report be and are hereby approved, provided, however, that only the Receiver, in its personal capacity and with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

SEALING ORDER

6. **THIS COURT ORDERS** that the Confidential Appendix to the First Report shall be and is hereby sealed pending completion of a sale transaction for the Toryork Property or further Order of this Court.

Jana
Steele

Digitally signed
by Jana Steele
Date:
2026.06.04
13:18:14 -04'00'

ROYAL BANK OF CANADA
Applicant

-and-

ONYXA CANADA INC. et al.
Respondents

Court File No. CL-26-00000040-0000

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding Commenced in Toronto

ORDER

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Lawyers for KPMG Inc., in its capacity as Court-Appointed Receiver

APPENDIX “C”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N :

ROYAL BANK OF CANADA

Applicant

- and -

**ONYXA CANADA INC., ONYXA HOLDING GROUP INC., and
MOHSEN JABBAR-POOR**

Respondents

**IN THE MATTER OF AN APPLICATION PURSUANT TO
SECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY* ACT,
R.S.C. 1985, c. B-3, AS AMENDED; AND SECTION 101 OF THE
COURTS OF JUSTICE ACT, R.S.O. 1990, c. C.43, AS AMENDED**

**FIRST REPORT OF KPMG INC.,
IN ITS CAPACITY AS RECEIVER AND MANAGER OF ONYXA CANADA INC. AND
ONYXA HOLDING GROUP INC.**

May 21, 2026

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APPENDICES

APPENDIX “A” – Order of Justice Conway dated March 16, 2026

APPENDIX “B” – Toryork Broker Listing Agreement

CONFIDENTIAL APPENDICES

CONFIDENTIAL APPENDIX “1” – Summary of Real Estate Broker Proposals

I. INTRODUCTION

1. Pursuant to an application by Royal Bank of Canada (“**RBC**” or the “**Lender**”) under section 243(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act*, KPMG Inc. (“**KPMG**”) was appointed as receiver and manager (in such capacity, the “**Receiver**”), without security, of all the assets, undertakings and properties (the “**Property**”) of Onyxa Canada Inc. (“**Onyxa Canada**”) and Onyxa Holding Group Inc. (“**Holding**”, and together with Onyxa Canada, collectively, the “**Debtors**”), including the real property municipally known as 157 Toryork Drive, Toronto, Ontario (PIN #10299-0107 LT) (the “**Toryork Property**”) by way of an order (the “**Appointment Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), dated March 16, 2026 (the “**Receivership Date**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. This report is the Receiver’s first report (the “**First Report**”) filed with the Court in connection with these receivership proceedings.

II. PURPOSE OF REPORT

3. The purpose of the First Report is to provide this Court with information pertaining to:
 - (a) background on the Debtors, their corporate structure, operations and financial position;
 - (b) the activities of the Receiver since the Receivership Date;
 - (c) the process undertaken by the Receiver in respect of Onyxa Canada’s inventory and personal property assets, including the solicitation of proposals from various auctioneers;
 - (d) the process undertaken by the Receiver to solicit proposals from commercial real estate brokers to market and sell the Toryork Property;
 - (e) the key terms of a listing agreement dated April 30, 2026 entered into by the Receiver and Avison Young Commercial Real Estate Services, LP (“**Avison**”

Young”) in respect of the Toryork Property (the “**Toryork Broker Listing Agreement**”);

- (f) the Receiver’s recommendation that the Court make an order, among other things:
 - (i) approving the Toryork Broker Listing Agreement;
 - (ii) approving the First Report and the actions, conduct and activities of the Receiver described herein; and
 - (iii) sealing the confidential appendix to the First Report until the completion of a sale transaction for the Toryork Property or further order of the Court.

III. TERMS OF REFERENCE

- 4. In preparing this First Report, KPMG has relied upon unaudited financial information, discussion with management of the Debtors, the Debtors’ books and records, financial information prepared by the Debtors and discussions with the Lender and its legal counsel (collectively, the “**Information**”). In accordance with industry practice, except as otherwise described in the First Report, KPMG has reviewed the Information for reasonableness, internal consistency, and use in the context in which it was provided. However, KPMG has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Auditing Standards (“**GAAS**”) pursuant to the Chartered Professional Accountant of Canada Handbook and, as such, KPMG expresses no opinion or other form of assurance contemplated under GAAS in respect of the Information.
- 5. The Receiver has prepared this First Report in connection with its motion seeking approval of, among other things, the Toryork Broker Listing Agreement, and the activities of the Receiver, which is currently scheduled to be heard by the Court on June 4, 2026. The use of and reliance on this First Report by any person or entity, other than the Court, shall, in all circumstances, be at such person’s or entity’s own risk.
- 6. Unless otherwise stated, all monetary amounts noted herein are expressed in Canadian dollars.

7. In order to inform creditors and all other stakeholders of the Debtors as to the status of these receivership proceedings, the Receiver has posted general information regarding these proceedings on the Receiver's website at <https://kpmg.com/ca/Onyxa> (the "**Case Website**"). The Receiver has also established a dedicated local (416-228-4349) and toll-free hotline (1-833-724-5711) for general creditor inquiries, as well as a general email address (onyxa@kpmg.ca) to address specific questions or concerns from stakeholders with respect to these receivership proceedings.

IV. BACKGROUND

Onyxa Holding Group Inc.

8. Holding is a company incorporated pursuant to the laws of the province of Ontario. According to Holding's corporate profile report, Holding's registered address is 27 Silkwood Cres, North York, Ontario. Mohsen Jabbar-Poor is the sole director of Holding.
9. Holding is not an operating entity and is the owner of the Toryork Property.
10. Holding subleased a portion of the Toryork Property pursuant to an industrial building multiple occupancy lease agreement expiring March 31, 2026 (the "**Lease Agreement**") between Holding and TEC Corp Stone Inc. (the "**Tenant**").
11. Following the expiration of the Lease Agreement, the Tenant and the Receiver executed a lease amending agreement effective April 1, 2026, continuing the Lease Agreement on a month-to-month basis (the "**Lease Amending Agreement**"). The Tenant continues to pay to the Receiver the monthly lease amount pursuant to the Lease Amending Agreement.
12. As at the Receivership Date, the Receiver understands that Holding did not have any employees.

Onyxa Canada Inc.

13. Onyxa Canada is a company incorporated on June 12, 2012 pursuant to the federal laws of Canada. According to Onyxa Canada's corporate profile report, Onyxa Canada's registered address is 27 Silkwood Cres, North York, Ontario. Mr. Jabbar-Poor is the sole director of Onyxa Canada.

14. Onyxa Canada operated from a leased showroom space located at 125 Tycos Drive, Unit 8 North York, Ontario (the “**Tycos Premises**”) and from the Toryork Property. Onyxa Canada leased the Tycos Premises from 125 Tycos Inc. (the “**Tycos Landlord**”) pursuant to an industrial lease between Onyxa Canada, as tenant, and the Tycos Landlord (the “**Tycos Lease**”).
15. Onyxa Canada operated in the business of selling porcelain slabs and tiles for commercial and residential construction and development (the “**Business**”).
16. On August 15, 2025, The Fuller Landau Group Inc. (“**FLG**”), in its capacity as proposal trustee (the “**Proposal Trustee**”) filed a Notice of Intention to Make a Proposal (“**NOI**”) in respect of Onyxa Canada (such proceedings being the “**Proposal Proceedings**”).
17. RBC, as a secured creditor of Onyxa Canada, was an unaffected creditor for the purposes of the Proposal Proceedings, and its rights and remedies were not subject to the statutory stay of proceedings under the BIA.
18. Onyxa Canada ultimately was deemed to have made an assignment in bankruptcy pursuant to the BIA on or around April 1, 2026. FLG was appointed as trustee in bankruptcy of Onyxa Canada, subject to affirmation at the first meeting of creditors (in such capacity the “**Bankruptcy Trustee**”).
19. The Receiver understands that prior to the Receivership Date, all employees of Onyxa Canada were terminated by management of Onyxa Canada. The Receiver further understands that none of Onyxa Canada’s former employees were unionized or subject to collective bargaining agreements.
20. On or about the Receivership Date, the Receiver attended the Tycos Premises with a view to documenting Onyxa Canada’s inventory located in the showroom. While at the Tycos Premises, the Receiver was advised by Ali Arabkarami (“**A. Arabkarami**”), a representative of Ikonyx Surfaces Inc. (“**Ikonyx**”), that, prior to the Receivership Date: (i) Onyxa Canada’s inventory located at the Tycos Premises had been sold to Ikonyx pursuant to an agreement of purchase and sale (the “**Tycos APS**”); and (ii) the Tycos Lease had been assigned to Ikonyx.

21. During the Receiver's attendance at the Tycos Premises, the Receiver was shown a copy of an agreement of purchase and sale that indicated a purchase price of approximately \$70,000. The Receiver subsequently requested copies of the Tycos APS and documentation evidencing the alleged lease assignment in order to assess the circumstances and determine appropriate next steps.
22. Based on the representations described above, and the fact that the monthly occupancy costs associated with the Tycos Premises were approximately \$32,000, the Receiver determined that taking possession of, or assuming occupancy of, the Tycos Premises for the purposes of relocating any inventory would not be commercially reasonable.
23. The Receiver engaged with the Landlord regarding the status of the Tycos Lease. The Landlord provided the following information to the Receiver with respect to federally incorporated companies that have "Ikonyx" in their names:

Registered Name	Incorporation Date	Director	Registered Head Office
Ikonyx Studio Inc.	11/6/2024	Mohsen Jabbar-Poor	27 Silkwood Cres., Toronto, ON M2J 1H1
Ikonyx Stone Canada Inc.	11/4/2025	Ali Arabkarami	157 Toryork Drive, Toronto, ON M9L 1X9
Ikonyx Surfaces Inc.	11/14/2025	Ali Arabkarami	Unit 8, 125 Tycos Drive, Toronto, ON M6B 1W3

24. As the Receiver did not take possession of, or occupy the Tycos Premises, the Receiver and the Landlord addressed the disposition of the security deposit paid by Onyxa Canada pursuant to the Tycos Lease. Following a disclaimer of the Tycos Lease by the Bankruptcy Trustee, the Landlord subsequently returned a portion of the security deposit paid under the Tycos Lease to the Receiver.
25. As of the date of this report, the Receiver has not received further information from Ikonyx or its counsel with respect to the Tycos APS. The Receiver, with the assistance of its independent counsel, Chaitons LLP ("**Chaitons**"), continues to evaluate this matter and will report further to the Court in due course.
26. Detailed information with respect to the Debtors' business, operations, financial position, and causes of insolvency is set out extensively in the Affidavit of Mark Arnold sworn February 5, 2026 ("**Arnold Affidavit**") previously filed with the Court in support of the Appointment

Order, and has not been included herein to avoid unnecessary duplication. The Arnold Affidavit is available on the Case Website.

Assets

27. Based on the information available to the Receiver to date, including the books of account and unaudited internal financial statements of the Debtors generated on or around March 24, 2026, the Receiver has determined that the Property consisted of the following:

Onyxa Canada Inc. and Onyxa Holding Group Inc.		As of March 16, 2026
Description		Amount (\$CAD)
Inventory		4,414,869
Fixed Assets		1,699,958
Accounts Receivable		750,618
Toryork Property ⁽¹⁾		Unknown
Total		6,865,445

Note: The amounts above represent book values of the Debtors' assets based on its unaudited financial statements and do not necessarily represent the realizable value of assets, which may differ materially from the book value.

(1) The Receiver has not obtained access to the financial statements of Holding and accordingly, the book value of the Toryork Property is unknown.

Accounts receivable

28. The Receiver obtained an accounts receivable subledger dated March 24, 2026 from Onyxa Canada's accounting software. The accounts receivable subledger indicates all of the accounts receivable are significantly aged and as such any potential recoveries are uncertain at this time.

Inventory

29. Based on the inventory subledger, Onyxa Canada had an approximately \$4.4 million book value of inventory as of March 24, 2026, which primarily consists of porcelain slab, tiles and related stone products (collectively, the "**Inventory**").
30. Following the Receivership Date, the Receiver considered available realization strategies with respect to Onyxa Canada's assets, including the feasibility of a sale of the Business as a going concern. In undertaking this assessment, the Receiver had regard to the nature of the Business, the availability of reliable operating and sales information, and the likelihood of identifying a purchaser willing to acquire and continue the Business.

31. Based on the Information available to the Receiver, the Receiver is not aware of any customer contracts, work orders, purchase orders or other arrangements evidencing future fabrication, manufacturing, or service work in respect of Onyxa Canada. In addition, all employees of Onyxa Canada were terminated prior to the Receivership Date, the Receiver did not have access to timely or reliable sales and inventory reporting, and did not have sufficient cooperation from management to support a going-concern marketing process. In these circumstances, and given the absence of sufficient reliable financial, operational, and sales information, the Receiver determined that it did not have an adequate basis to pursue a sale of the Business as a going concern. Accordingly, the Receiver determined that proceeding with an orderly liquidation of the Debtors' assets represented the most appropriate course of action.
32. The Receiver, pursuant to the powers granted to it by the Receivership Order and, in particular, paragraph 3(j) thereof, began soliciting interest from various auctioneers regarding a liquidation of the Inventory commencing on or about March 18, 2026.
33. Each of the auctioneers contacted indicated that the estimated realizable values for the Inventory would be significantly lower than the approximately \$4.4 million book value reflected in Onyxa Canada's books and records. The general feedback provided by the auctioneers was that the inventory listings and quantities identified therein based on the company's books and records were materially higher than what was observed at the Toryork Property during site inspections. Based on the foregoing, the Receiver is currently assessing its options with respect to realization on the Inventory.
34. Additionally, on or about April 25, 2026 the Receiver was advised by counsel to Ikonyx that certain porcelain slabs and related stone products located at the Toryork Property are alleged to have been sold by Onyxa Canada to Ikonyx pursuant to an agreement of purchase and sale dated August 8, 2024 (the "**Ikonyx APS**").
35. Counsel to Ikonyx provided the Receiver with a copy of the Ikonyx APS and asserted that the slab inventory identified therein was purchased prior to the Receivership Date, paid for in full, labelled as belonging to Ikonyx, and remained stored at the Toryork Property as of the Receivership Date.

36. Following receipt of the Ikonyx APS, Chaitons requested additional documentation, including evidence of payments made pursuant to the Ikonyx APS, in order to assess the validity, scope, and enforceability of the alleged transaction, including the timing of payment, if any.
37. As of the date of this First Report, the Receiver has not received documentation evidencing payments made under the Ikonyx APS. The Receiver, together with its counsel, continues to investigate the Ikonyx APS and the surrounding circumstances and will report further to the Court as appropriate.

Creditors

38. Based on their books and records as at the Receivership Date, the Debtors had total liabilities of approximately \$13.9 million, as summarized in the table below:

Creditor	Estimated Liability (\$CAD)
Secured Creditors	
Royal Bank of Canada	9,853,780
HSBC Bank Canada	Unknown
Nissan Canada Inc.	Unknown
JNS Auto Sales Ltd.	Unknown
Coast Capital Equipment Finance Ltd.	Unknown
Pine View Auto Sales Inc.	Unknown
CWB National Leasing Inc.	Unknown
Meridian Onecap Credit Corp.	Unknown
Total Secured Creditors	9,853,780
Potential Priority Claims	
Receiver General	928,521
Various Employees	2,000
Total Potential Priority Claims	930,521
Total Unsecured Creditors	3,115,503
Total Liabilities	13,899,805

39. As noted above, there are various entities with security registered under the *Ontario Personal Property Security Act* as of January 18, 2026. The value of their potential claims (if any) vis-à-vis Onyxa Canada or Holding are unknown at this time.

RBC Credit Facilities

40. RBC provided secured financing to Onyxa Canada and Holding pursuant to amended and restated credit arrangements entered into in August 2023 and subsequently amended in February 2024.
41. Pursuant to these arrangements, RBC advanced various credit facilities to Onyxa Canada (collectively, the “**Onyxa Canada Credit Facilities**”), including:
- (a) an operating loan facility available by overdraft;
 - (b) a credit card facility; and
 - (c) an auto loan in respect of a 2023 GMC Sierra.
42. As of January 5, 2026, Onyxa Canada was indebted to RBC in connection with the Onyxa Canada Credit Facilities in the aggregate amount of approximately \$4,896,566 exclusive of accruing interest and RBC’s costs of enforcement (the “**Onyxa Canada Indebtedness**”).
43. RBC also advanced secured financing to Holding pursuant to a capital loan facility (the “**Holding Credit Facility**”).
44. As of January 5, 2026, Holding was indebted to RBC in connection with the Holding Credit Facility in the amount of approximately \$4,957,213 exclusive of accruing interest and RBC’s costs of enforcement (the “**Holding Indebtedness**”). RBC had also incurred legal fees and costs in connection with the Debtors in an amount of approximately \$47,700, and a forbearance fee of \$50,000 remained outstanding (the “**Cost of Enforcement**” together with Onyxa Canada Indebtedness and Holding Indebtedness, the “**RBC Secured Debt**”).
45. The obligations of the Debtors to RBC are secured by various security granted in favour of RBC, including, among other things:
- (a) general security agreements from each of Onyxa Canada and Holding, securing substantially all of their present and after-acquired personal property;
 - (b) cross-guarantees from Onyxa Canada and Holding;

- (c) a mortgage and general assignment of rents granted by Holding in respect of the Toryork Property; and
 - (d) additional security obtained pursuant to forbearance agreements entered into in June 2025 and August 2025, including limited personal guarantees and a second-ranking mortgage over the principal residence of Mr. Jabbar-Poor.
46. RBC has registered financing statements under the *Personal Property Security Act* (Ontario) against the Debtors in respect of its general security agreements, and holds registered charges in respect of the Toryork Property.
47. The Receiver has instructed Chaitons to review RBC's security and to render an opinion in due course with respect to the validity and enforceability thereof.

Other PPSA Registrants

48. In addition to RBC, Onyxa Canada has a number of other secured creditors that have registered security interests against the Debtors pursuant to the *Personal Property Security Act* (Ontario) (the "**Other PPSA Registrants**"). These registrations primarily relate to financed equipment and leased vehicles. The security interests and PPSA registrations include those asserted by, among others, Meridian OneCap Credit Corp. ("**Meridian**") and Coast Capital Equipment Finance Ltd. ("**Coast Capital**").
49. As of the Receivership Date, none of the leased vehicles subject to the Other PPSA Registrants' security interests were located at the Toryork Property (the "**Missing Leased Vehicles**"). The Receiver sent email inquiries to Mr. Jabbar-Poor regarding the location of the Missing Leased Vehicles. On or around April 24, 2026 the Receiver delivered, via email and registered mail, a formal demand letter requesting, among other things, details regarding the whereabouts of the Missing Leased Vehicles (the "**Demand Letter**"). As of the date of this report, Mr. Jabbar-Poor has not responded to the Demand Letter.
50. As the Receiver was not in possession of the Missing Leased Vehicles, the Receiver engaged with the Other PPSA Registrants to address their respective security interests. As a result of

these discussions, the Receiver entered into settlement and mutual release agreements with Meridian and Coast Capital.

51. Pursuant to the terms of the settlement and mutual release agreements, equipment subject to security interests of Meridian and Coast Capital was released to those parties. Meridian and Coast Capital provided full and final releases in respect of any claims against the Receiver and Onyxa Canada relating to such equipment.
52. Additionally, based on information received from certain of the Other PPSA Registrants, the Receiver understands that a number of the Missing Leased Vehicles were transferred, or attempted to be transferred, by Mr. Jabbar-Poor prior to the Receivership Date. The Receiver has undertaken a review of the relevant security registrations and financing documents and continues to communicate with the Other PPSA Registrants. These communications have included the exchange of documentation regarding the nature and extent of their security interests, as well as inquiries concerning the status and location of the Missing Leased Vehicles. The Receiver continues to investigate these matters and will report further to the Court in due course.

Potential Priority Claims

53. Based on the Debtor's books of account and financial records, the Receiver understands that, as of the Receivership Date, the Debtors had liabilities that rank, or may rank, in priority to the RBC Secured Debt, including approximately \$3,175 in accrued wages or vacation pay liabilities owing to former employees of Onyxa Canada, of which approximately \$2,000 could be subject to a priority under section 81.4 of the BIA.
54. The Receiver understands Onyxa Canada and Holding owe approximately \$939,381 and \$40,687 respectively to Canada Revenue Agency ("**CRA**") in respect of pre-receivership sales taxes (the "**Pre-Filing HST**").
55. The Receiver understands that Onyxa Canada owes approximately \$17,990 to CRA in respect of pre-receivership payroll source deductions for the 2025 reporting period. The Receiver has requested access to the Debtors' CRA accounts to verify the status of Onyxa Canada's payroll remittances.

Unsecured Claims

56. The Receiver understands that Onyxa Canada has unsecured trade payables of approximately \$3,115,503 as at the Receivership Date.

V. ACTIVITIES OF THE RECEIVER

57. The activities of the Receiver since the Receivership Date have primarily included:

- (a) attending at the Toryork Property to inspect the condition of and secure the Toryork Property and the Property located thereon, take possession of the Debtors' limited books and records, and take inventory of the Property located at the Toryork Property;
- (b) attending at the Tycos Premises to inspect the condition of and take inventory of the Property located at the Tycos Premises;
- (c) opening new bank accounts under the Receiver's name (the "**Receivership Accounts**") and arranging for the Debtors' accounts to be frozen and all amounts to be transferred to the Receivership Accounts;
- (d) liaising with the Debtors' customers in respect of collecting outstanding accounts receivable, including providing notice to the customers of these receivership proceedings, reconciling statements of account, providing invoices and other supporting documentation to the customers for the outstanding accounts receivable and issuing demand letters;
- (e) sending to all creditors, as listed in the Debtors' books of account and financial records, the Notice and Statement of Receiver required under sections 245(1) and 246(1) of the BIA;
- (f) liaising with the Debtors' former employees in respect of potential unpaid wages and/or vacation pay;

- (g) liaising with Service Canada with respect to the Wage Earners Protection Program (“WEPP”) and compiling the necessary information to submit WEPP claims on behalf of the Debtors’ eligible former employees;
- (h) attending at the Toryork Property on a periodic basis;
- (i) maintaining insurance in respect of the Property and Toryork Property;
- (j) corresponding with the Tenant with respect to the receivership proceedings;
- (k) negotiating and executing the Lease Amending Agreement with the Tenant;
- (l) reviewing information and or claims from the Other PPSA Registrants;
- (m) drafting and delivering a demand for information letter to Mr. Jabbar-Poor with respect to the location of the missing leased vehicles;
- (n) coordinating the release of some of the Missing Leased Vehicles to applicable Other PPSA Registrants, allocating costs of these receivership proceedings attributable to those vehicles to their respective lessors, and collecting payments in respect thereof;
- (o) coordinating the release of miscellaneous items stored at the Toryork Property, allocating certain costs of these receivership proceedings that are attributable to the stored items to their respective owner, and collecting payments in respect of same;
- (p) liaising with third parties that are in possession of Property that is being stored off-site, including consulting with liquidators and appraisers in order to assess value of stored items;
- (q) liaising with the Proposal Trustee and subsequently the Bankruptcy Trustee regarding various aspects of these receivership proceedings;
- (r) preparing and soliciting proposals from various auctioneers in respect of the Debtors’ inventory, and reviewing and analysing same;

- (s) consulting with the Lender in respect of the Receiver's evaluation of the proposals received from interested auctioneers;
- (t) preparing the Broker RFP (as defined below), soliciting the broker proposals, interviewing, negotiating with and engaging Avison Young to assist the Receiver with marketing and sale of the Toryork Property;
- (u) consulting with the Lender in respect of the Receiver's evaluation of the real estate brokers, the proposals submitted by each broker, and the selection of Avison Young;
- (v) approving and authorizing a Building Condition Report and Environmental Assessment in respect of the Toryork Property;
- (w) liaising with CRA to open a new Harmonized Sales Tax ("HST") account in the name of the Receiver;
- (x) retaining Chaitons as the Receiver's independent counsel;
- (y) responding to calls and inquiries from creditors, lessors and other parties regarding these receivership proceedings;
- (z) liaising with Chaitons in respect of various aspects of these receivership proceedings;
- (aa) liaising with the Lender in respect of various aspects of these receivership proceedings;
- (bb) establishing and maintaining the Case Website;
- (cc) attending before the Court in respect of the Appointment Order; and
- (dd) preparing this First Report and reviewing related motion materials.

VI. REAL PROPERTY SALE PROCESS

58. Prior to the commencement of the Broker Solicitation Process (as defined below), Vanguard Realty Brokerage Corp. (“**Vanguard**”), which had been engaged by Holding prior to the Receiver’s appointment, presented two separate non-binding offers to the Receiver in respect of the Toryork Property (the “**Vanguard Offers**”).
59. At the time the Vanguard Offers were received, the Receiver had not yet received proposals, valuation opinions, or marketing recommendations from the Solicited Brokers (as defined below). As a result, the Receiver did not have the benefit of comparative broker feedback or market validation and was therefore unable to assess whether the Vanguard Offers reflected fair market value in the circumstances.
60. On March 23, 2026, the Receiver distributed a request for proposal (the “**Broker RFP**”) to four (4) commercial real estate brokers (the “**Solicited Brokers**”), requesting that they submit to the Receiver a proposal to market and sell the Toryork Property (the “**Broker Solicitation Process**”). The Solicited Brokers were comprised of Vanguard and other commercial real estate brokers which, in the Receiver’s view, were likely to have sufficient market knowledge and expertise in the asset class to appropriately market and sell the Toryork Property.
61. The Broker RFP specifically requested that the Solicited Brokers include in their respective proposals, among other things, the following information:
- (a) estimated sale price, including general market commentary and recent sales of comparable properties;
 - (b) proposed marketing strategy, including views on pricing, listing on a priced vs. unpriced basis, and the use of bid deadlines (if any);
 - (c) profile of potential purchasers, and expected time period to obtain offers and to close a transaction;
 - (d) detailed fee structure, including proposed commissions; and
 - (e) proposed sales team, and their relevant credentials and experience.

62. The Receiver directed the Solicited Brokers to deliver all proposals to the Receiver by no later than April 6, 2026 (the “**Broker Proposal Submission Deadline**”). The Receiver received proposals from four (4) of the Solicited Brokers in advance of the Broker Proposal Submission Deadline (the “**Broker Proposals**”). Following a thorough review of the Broker Proposals, the Receiver conducted interviews with the Solicited Brokers.

Broker Selection

63. Following extensive discussions with the Solicited Brokers, and in consultation with the Lender, the Receiver selected Avison Young to assist the Receiver in marketing the sale of the Toryork Property.

64. Avison Young was selected for the following reasons (among others):

- (a) Avison Young is a well-known real estate brokerage and put forward sales representatives with relevant insolvency experience and credentials;
- (b) Avison Young presented detailed marketing and pricing strategies that the Receiver believed to be appropriate in the respective circumstances;
- (c) the Broker Proposal submitted by Avison Young included competitive seller commissions, which were further revised downward after negotiations, and including cooperating commissions such that the buyers’ agent would be incentivised to show the Toryork Property to their represented buyer;
- (d) Avison Young demonstrated its expertise in the industrial real estate market in the GTA; and
- (e) Avison Young was previously retained by Holding (prior to Vanguard) in September 2025 to market the Toryork Property, and as such is familiar with the property as well as potential interested parties.

The Broker Listing Agreement

65. The Receiver has engaged Avison Young pursuant to the Toryork Broker Listing Agreement, a copy of which is attached hereto as **Appendix “B”**.

66. The key terms of the Toryork Broker Listing Agreement are summarized as follows (all capitalized terms in this paragraph not defined herein have the meaning defined in the Toryork Broker Listing Agreement):

- (a) Marketing and Sale of the Property: the Listing Brokerage will facilitate an open and fair market process for the sale of the Property, prepare and distribute marketing materials to potential buyers, provide recommendations to the Receiver on appropriate strategy, and assist the Receiver in negotiations for the price of the Property;
- (b) “As Is, Where Is”: the Property will be offered for sale on an “as is, where is” basis and the Broker shall make no representations or warranties regarding the condition of the Property;
- (c) Court Approval: any form of agreement of purchase and sale will be conditional on the transaction contemplated therein being approved by the Court, and title to the Property will be conveyed by way of a Court order vesting title to the Toryork Property in the buyer;
- (d) Seller Commission: the Listing Brokerage will be compensated in the form of a 1% commission based on the gross sale price of the Property, which commission is inclusive of all costs, fees and expenses associated with the Listing Brokerage marketing the Property;
- (e) Buyer Commission: a third-party real estate brokerage, or a representative of the Broker that is not named in the Broker Listing Agreement, may be permitted to cooperate in the sale of the Property, and such cooperating brokerage or broker would be entitled to a 1% commission, in order to encourage participation by the broker community;
- (f) Bid-deadline: the Listing Brokerage will offer the Property for sale pursuant to a bid-deadline sale process;

- (g) Listing Period: the Listing Brokerage has the exclusive right to list the Property for sale for a period ending on December 15, 2026; and
 - (h) Holdover Period: the Toryork Broker Listing Agreement includes provisions for holdover periods of 90 days following the conclusion of the Listing Period, whereby the Listing Brokerage is entitled to receive the Commission in the event that an agreement to purchase the Property is accepted by a buyer prior to the expiration of the Holdover Period.
67. The Receiver is recommending that this Court approve the Toryork Broker Listing Agreement for the following reasons:
- (a) Prior to entering into the Toryork Broker Listing Agreement, the Receiver:
 - (i) conducted the Broker Solicitation Process; and
 - (ii) consulted with the Lender, who is the primary economic stakeholder with respect to the Toryork Property, and who is supportive of the selection of Avison Young and the Toryork Broker Listing Agreement;
 - (b) the Commission is within market range, was revised down after negotiations, and properly incentivizes Avison Young to achieve the best outcome and any cooperating broker to participate;
 - (c) the Toryork Broker Listing Agreement contemplates the sale of the Toryork Property on an “as is, where is” basis;
 - (d) the Listing Term and Holdover Period of the Toryork Broker Listing Agreement are within market range;
 - (e) the bid-deadline approach is appropriate in the circumstances as it encourages competitive tension among prospective purchasers, allows for the concurrent evaluation of offers on a consistent basis, and mitigates the risk of delay and value erosion associated with a protracted or sequential negotiation process; and

- (f) the Toryork Broker Listing Agreement provides the Receiver with oversight and control of the sale of the Toryork Property by providing the Receiver with consultation rights in various matters such as pricing, marketing, and negotiations, and further, does not allow Avison Young to sign any agreements on behalf of the Receiver.

68. The Receiver has advised Vanguard that it would not be continuing with its engagement under the listing agreement signed by Holding with respect to the Toryork Property.

VII. CONCLUSION AND RECOMMENDATION

69. Based on the foregoing, the Receiver recommends that this Court grant the relief as set out in its Notice of Motion.

All of which is respectfully submitted this 21st day of May, 2026.

KPMG Inc.
in its capacity as court-appointed receiver of
Onyxa Canada Inc. and Onyxa Holding Group Inc.
and not in its personal or corporate capacity

Per:



Pritesh Patel
CIRP, LIT
Senior Vice President



Manoj Oommen
CPA, CA, CIRP
Manager

APPENDIX “D”

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT dated the 14th day of September 2026.

BETWEEN:

KPMG INC.,

solely in its capacity as Court-appointed receiver and manager of all the assets, undertakings and properties of Onyxa Holding Group Inc., and not in its personal or corporate capacity and without personal or corporate liability
(the "**Vendor**")

- and -

Jands Investments Inc. for a corporation to be incorporated
(the "**Purchaser**")

RECITALS:

- A. Pursuant to the Receivership Order, the Vendor was appointed as receiver and manager of all of the assets, undertakings and properties of the Debtor, with the power to (among other things) market and sell the Debtor's assets and negotiate such terms and conditions of sale as the Vendor may deem appropriate; and
- B. The Vendor wishes to sell, and the Purchaser wishes to purchase, the Debtor's right, title and interest, if any, in and to the Purchased Assets, subject to and in accordance with the terms and conditions contained herein.

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

1. DEFINITIONS

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "**Acceptance Date**" means the date that this Agreement is executed by the Vendor;
- (b) "**Agreement**" means this agreement together with the attached schedules;
- (c) "**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Government Authority;
- (d) "**Approval and Vesting Order**" means the order of the Court, substantially in the form of the template Model Approval and Vesting Order approved by the Commercial List Users' Committee, approving the Transaction and ordering that the Debtor's right, title and interest in the Purchased Assets be vested in the Purchaser free and clear of encumbrances except for Permitted Encumbrances, upon satisfaction by the Purchaser of its obligations under this Agreement;
- (e) "**Assumed Contracts**" has the meaning ascribed to it in Section 10 hereof;

- (f) **"Assumed Liabilities"** has the meaning ascribed to it in Section 9 hereof;
- (g) **"Business Day"** means any day other than a Saturday or a Sunday or a statutory holiday in the Province of Ontario;
- (h) **"Closing"** has the meaning ascribed to it in Section 12 hereof;
- (i) **"Closing Date"** has the meaning ascribed to it in Section 12 hereof;
- (j) **"Court"** means the Ontario Superior Court of Justice;
- (k) **"Debtor"** means Onyxa Holding Group Inc.;
- (l) **"Deposit"** shall have the meaning ascribed to it in Section 5(a) hereof;
- (m) **"DRA"** has the meaning ascribed to it in Section 13(a)(ii) hereof;
- (n) **"Environmental Law"** means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (o) **"ETA"** means the *Excise Tax Act* (Canada);
- (p) **"Final"** with respect to any order of the Court means that leave to appeal or reconsideration shall not have been sought in respect of such order and that such order shall not have been stayed, appealed, varied (except with the consent of the Vendor and the Purchaser) or vacated, and all time periods within which leave to appeal and reconsideration could at law be sought shall have expired and all time periods within which such order could at law be appealed shall have expired;
- (q) **"Fixtures and Chattels"** means the right, title and interest of the Debtor, if any, to all fixtures, chattels and other tangible personal property of every nature and kind, which are owned by the Debtor and incorporated in, situate upon and/or used in connection with the Property on the Closing Date;
- (r) **"Government Authority"** means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal governments having or claiming to have jurisdiction over part or all of the Property, the Transaction contemplated in this Agreement and/or one or both of the Parties;
- (s) **"Hazardous Materials"** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any "Contaminants", "Dangerous Substances", "Hazardous Materials", "Hazardous Substances", "Hazardous Wastes", "Industrial Wastes", "Liquid Wastes", "Pollutants" and "Toxic Substances", all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or poly-chlorinated biphenyl wastes;
- (t) **"HST"** means goods and services tax and harmonized sales tax levied pursuant to the ETA;

- (u) **"Indemnitees"** has the meaning ascribed to it in Section 20(a) hereof;
- (v) **"Liabilities"** means any and all claims, actions, causes of action, suits, proceedings, applications, complaints, costs, expenses, charges, debts, liabilities, losses, damages, orders, judgments, demands, fines, penalties and obligations of any nature or kind whatsoever, whether primary or secondary, direct or indirect, fixed, contingent, absolute or otherwise;
- (w) **"Parties"** means collectively the Vendor and the Purchaser, and **"Party"** means either one of them;
- (x) **"Permitted Encumbrances"** means those encumbrances listed in Schedule "B" to this Agreement;
- (y) **"Person"** means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal or personal representative, Government Authority or other entity however designated or constituted;
- (z) **"Property"** means the lands and premises municipally known as 157 Toryork Drive, Toronto, Ontario, as legally described in Schedule "A" to this Agreement, together with all buildings situate thereon including all improvements thereto;
- (aa) **"Purchase Price"** shall have the meaning ascribed thereto in Section 4 hereof;
- (bb) **"Purchased Assets"** means all of the Debtor's right, title and interest in the following assets:
 - (i) the Property;
 - (ii) the Fixtures and Chattels; and
 - (iii) the Assumed Contracts;
- (cc) **"Purchaser's Solicitors"** means the firm of TBD;
- (dd) **"Receivership Order"** means the Order of the Court dated March 16, 2026 appointing the Vendor as receiver and manager of all of the assets, undertakings and properties of the Debtor;
- (ee) **"Rights"** shall have the meaning ascribed thereto in Section 11 hereof;
- (ff) **"Statement of Adjustments"** has the meaning ascribed to it in Section 8(b) hereof;
- (gg) **"TEC Lease"** means the lease between the Debtor and Tec Corp Stone Inc.
- (hh) **"Tenant"** means the tenant according to the TEC Lease;
- (ii) **"Tenant's Direction"** shall have the meaning ascribed thereto in Section 18(b) hereof;
- (jj) **"TERS"** has the meaning ascribed to it in Section 13(a)(i) hereof;
- (kk) **"Transaction"** means the transaction contemplated by this Agreement;

- (ll) **"Vendor's Certificate"** means the certificate attached as a schedule to the Approval and Vesting Order confirming *inter alia* that the Vendor has received the Purchase Price and all conditions to Closing, if any, have been satisfied or waived by the Parties; and
- (mm) **"Vendor's Solicitors"** means the firm of Chaitons LLP.

2. SCHEDULES

The following Schedules are appended to this Agreement:

Schedule "A"	Property
Schedule "B"	Permitted Encumbrances

3. AGREEMENT TO PURCHASE AND SELL

On the Closing Date, the Vendor shall sell the Purchased Assets and assign the Assumed Liabilities and the Purchaser shall purchase the Purchased Assets and assume the Assumed Liabilities, subject to and in accordance with the terms and conditions set out this Agreement.

4. PURCHASE PRICE

The aggregate purchase price payable by the Purchaser to the Vendor for the Purchased Assets shall be [REDACTED] Dollars (the **"Purchase Price"**).

5. METHOD OF PAYMENT

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

- (a) a deposit equal to [REDACTED] Dollars (the **"Deposit"**) shall be paid to the Vendor's Solicitors, in trust, by wire transfer, certified funds or bank draft concurrently with the Purchaser's delivery of this Agreement to the Vendor. The Deposit shall be held by the Vendor's Solicitors, in trust, in a non-interest-bearing account as a deposit pending Closing or termination of this Agreement. The Deposit is to be credited towards the Purchase Price upon completion of the Transaction. In the event that the Transaction is not completed for any reason other than the Purchaser's default hereunder, the full amount of the Deposit, without any set-off or deduction, shall be returned forthwith to the Purchaser. If this Agreement is terminated or if the Transaction is not completed as a result of default by the Purchaser, the Deposit shall be retained by the Vendor as liquidated damages without prejudice to any further rights it may have hereunder, at law or in equity; and
- (b) the balance of the Purchase Price to the Vendor by wire transfer, certified funds or bank draft on Closing.

6. ALLOCATION OF PURCHASE PRICE

The Parties acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Purchased Assets for the purposes of the *Income Tax Act* (Canada) and any filings in accordance with the provisions thereof not less than five (5) Business Days prior to the Closing Date.

7. APPROVAL AND VESTING ORDER

Following the Acceptance Date, the Vendor shall obtain an appointment with the Court for a motion to be heard as soon as reasonably practical to seek the Approval and Vesting Order. The Purchaser shall, at its

sole cost and expense, promptly provide to the Vendor all such information and assistance as the Vendor may reasonably require to obtain the Approval and Vesting Order.

8. CLOSING ADJUSTMENTS

- (a) Adjustments shall be made as of 12:01 A.M. (Eastern Daylight Time) on the Closing Date for all realty taxes, local improvement rates, municipal/provincial levies and charges, water and assessment rates and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a receivership sale. The day of Closing shall be for the account of the Purchaser. Other than as provided for in this Section 8, there shall be no adjustments to the Purchase Price.
- (b) The Vendor shall prepare and deliver to the Purchaser, at least one (1) Business Day prior to the Closing Date, a statement of adjustments relating to those adjustments contemplated by the provisions of Section 8(a) hereof ("**Statement of Adjustments**") with all adjustments made as of the Closing Date. No adjustments shall be allowed to the Purchaser for changes in the Purchased Assets from the Acceptance Date up to and including the Closing Date. If the final cost or amount of any item which is to be adjusted cannot be determined at Closing, then the adjustment for such item shall be made at Closing, on the basis of the cost or amount as estimated by the Vendor, as of the Closing Date on the best evidence available at Closing as to what the final adjustment should be. The estimated adjustments as therein set forth shall, for all purposes, be a final adjustment or final adjustments.
- (c) The Purchaser hereby acknowledges that there may be outstanding arrears with respect to real property taxes and utilities and agrees that the Vendor, at its option, shall be entitled to make adjustment on the Statement of Adjustments for such matters or, in the alternative, direct that a portion of the proceeds due on Closing be used to pay out such arrears. The Purchaser further covenants and agrees to deliver an irrevocable direction to the City of Toronto authorizing it to pay to the Vendor any realty tax rebate (together with interest thereon) obtained by the Vendor in relation to the period prior to Closing. Provided that in the event the City of Toronto does not deliver such rebate directly to the Vendor, the Purchaser hereby irrevocably undertakes to hold same in trust for the Vendor and to deliver same to the Vendor upon either receipt or readjustment of same.

9. ASSUMED LIABILITIES

- (a) On Closing, the Purchaser shall assume and be liable for payment and/or performance of the following Liabilities from and after Closing (collectively, the "**Assumed Liabilities**"):
 - (i) the Permitted Encumbrances; and
 - (ii) all Liabilities under the Assumed Contracts.
- (b) The Purchaser is not assuming, and shall not be deemed to have assumed, any Liabilities of the Debtor other than the Assumed Liabilities, including without limitation, any Liabilities arising or accruing from the ownership or use of the Purchased Assets prior to the Closing.

10. ASSUMED CONTRACTS

- (a) The Purchaser shall give notice to the Vendor in writing at least ten (10) Business Days prior to the Closing Date of any contracts related to the Purchased Assets that it elects to assume on Closing (the "**Assumed Contracts**").
- (b) This Agreement and any document delivered under this Agreement will not constitute an assignment or an attempted assignment of any such Assumed Contracts contemplated to be assigned to the Purchaser under this Agreement which are not assignable without the consent of

a third Person if such consent has not been obtained and such assignment or attempted assignment would constitute a breach of such Contract. The Vendor, in cooperation with the Purchaser, shall use commercially reasonable efforts to obtain the consent of the counterparties for the assignment of the Assumed Contracts. The Parties hereby acknowledge and agree that in the event the Parties fail to obtain any such required consent prior to Closing, the Parties shall proceed with Closing and such failure shall not give rise to any right or remedy in favour of the Purchaser as against the Vendor or the Debtor whatsoever

- (c) The Purchaser shall be responsible for any cure payment required to be made to the counterparties to the Assumed Contracts which are to be assigned to it, which payments shall not reduce and/or abate the Purchase Price.

11. ASSIGNMENT OF PURCHASED ASSETS

To the extent that any of the Purchased Assets to be transferred to the Purchaser on Closing and/or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the “Rights”) are not capable of being transferred without the approval, consent or waiver of any third Person, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent, waiver or order of the Court has been obtained. For greater certainty, unless expressly provided for herein (a) no such approval, consent, waiver or order shall be a condition to Closing and (b) there shall be no reduction and/or abatement to the Purchase Price in respect to the absence of any such approval, consent, waiver or order on Closing.

12. CLOSING DATE

The Transaction shall be completed **Ten (10)** days immediately following the date on which the Approval and Vesting Order is granted (the “Closing Date” or “Closing”), or such other date as the Purchaser and the Vendor may agree in writing. If, prior to the Closing Date, the Approval and Vesting Order (or any orders dismissing appeals thereof) shall have been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then the Closing Date shall mean the day that is **Ten (10)** days immediately following the date on which any such appeals and/or proceedings are dismissed.

13. ELECTRONIC REGISTRATION

The Parties hereby acknowledge and agree that:

- (a) the Purchaser shall:
 - (i) be obliged to retain a solicitor who is both an authorized user of the Teraview electronic registration system (“TERS”) and is in good standing with the Law Society of Ontario to represent the Purchaser in connection with the completion of the Transaction; and
 - (ii) shall authorize such solicitor to enter into a document registration agreement with the Vendor’s Solicitors in the form as agreed by the Purchaser’s Solicitors and the Vendor’s Solicitors (the “DRA”), establishing the procedures and timing for completing the Transaction;
- (b) the delivery and exchange of the closing documents:
 - (i) shall not occur contemporaneously with the registration of the Application for Vesting Order and other registerable documentation; and

- (ii) shall be governed by the DRA, pursuant to which the Vendor's Solicitors and Purchaser's Solicitors shall hold all closing documents in escrow, and will not be entitled to release them except in strict accordance with the provisions of the DRA;
- (c) the Vendor will not release the Vendor's Certificate confirming the effectiveness of the Approval and Vesting Order until the balance of funds due on Closing, in accordance with the Statement of Adjustments, are remitted by wire transfer, certified funds or bank draft to the Vendor's Solicitors (or in such other manner as the Vendor or Vendor's Solicitors may in writing direct);
- (d) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser when the Vendor's Solicitors have:
 - (i) delivered all documents required to be delivered by the Vendor to the Purchaser pursuant to Section ~~25~~ ²⁶ hereof; 
 - (ii) advised the Purchaser's Solicitors in writing that the Vendor is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Vendor's Solicitors without the cooperation or participation of the Purchaser's Solicitors, and specifically when the "completeness signatory" for the Application for Vesting Order has been electronically "signed" by the Vendor's Solicitors,

without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing;

- (e) notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitors have:
 - (i) delivered the balance due at Closing and all the documents required to be delivered by the Purchaser to the Vendor pursuant to Section ~~26~~ ²⁷ hereof; 
 - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement; and
 - (iii) completed all steps required by TERS to complete the Transaction that can be performed or undertaken by the Purchaser's Solicitors without the cooperation or participation of the Vendor's Solicitors, and specifically when the "completeness signatory" for the Application for Vesting Order has been electronically "signed" by the Purchaser's Solicitors,

without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing; and

- (f) if through no fault of the Purchaser's Solicitors or the Vendor's Solicitors TERS is unavailable on the Closing Date, such that the Purchaser's Solicitors are unable to register the Application for Vesting Order, then the Transaction shall be completed in escrow in

accordance with the terms of the DRA which shall apply until such time as TERS becomes available. Upon TERS becoming available, the Vendor's Solicitors shall advise the Purchaser's Solicitors forthwith and the Parties shall arrange to complete the registration of the Approval and Vesting Order as expeditiously as possible, whereupon the escrow shall be released.

In the event of any conflict or inconsistency between the terms of this Section 13 and the terms of the DRA, the terms of this Section 13 shall prevail.

14. PRE-CLOSING RISK

The Purchased Assets are and shall remain at the Vendor's risk until Closing. Prior to Closing, the Vendor will hold all insurance policies and any proceeds derived therefrom in trust for the parties as their respective interests may appear and in the event of loss or damage to the Purchased Assets occurring before Closing that gives rise to insurance proceeds, the amount of such insurance proceeds paid or payable to the Vendor with respect thereto will be applied as a reduction of the Purchase Price and the transfer of the Purchased Assets to the Purchaser will proceed in the manner described herein and without any further reduction or adjustment to the Purchase Price or any other change in the terms of this Agreement.

15. PURCHASER'S REPRESENTATIONS AND WARRANTIES

As a material inducement to the Vendor entering into this Agreement and completing the Transaction, acknowledging that the Vendor is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 15, the Purchaser represents and warrants to the Vendor as follows:

- (a) it is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement; neither the execution of this Agreement nor the performance (such performance shall include, without limitation, the exercise of any of the Purchaser's rights and compliance with each of the Purchaser's obligations hereunder) by the Purchaser of the Transaction will violate:
 - (i) the Purchaser's articles of incorporation, by-laws and/or any resolution of the director(s) and/or shareholder(s) of the Purchaser;
 - (ii) any agreement to which the Purchaser is bound;
 - (iii) any judgment or order of a court of competent authority or any Government Authority; or
 - (iv) any Applicable Law;and it has duly taken, or has caused to be taken, all requisite corporate action required to be taken by it to authorize the execution and delivery of this Agreement and the performance of its obligations hereunder;
- (b) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
- (c) there are no orders or proceedings pending before any Government Authority, or threatened to be brought by or before any Government Authority by or against the

Purchaser, affecting the legality, validity or enforceability of this Agreement or the consummation of the Transaction contemplated hereby by the Purchaser;

- (d) it has made adequate arrangements to have sufficient funds available to satisfy its obligations to pay the cash portion of the Purchase Price to the Vendor on Closing;
- (e) it will be responsible for and will remit to or reimburse, as applicable, all taxes, including without limitation land transfer tax, levies or the like that arise from the sale of the Purchased Assets unless otherwise specified in this Agreement;
- (f) it is a registrant under Part IX of the ETA;
- (g) it is (i) not a non-resident, as defined in section 116 of the *Income Tax Act* (Canada) and (ii) not a non-Canadian, as defined in the *Investment Canada Act* (Canada) and the *Prohibition on the Purchase of Residential Property by Non-Canadians Act* (Canada);
- (h) it acknowledges that it is responsible for conducting its own searches and investigations of the current and past uses of the Property;
- (i) it is satisfied with the Purchased Assets and all matters and things connected therewith or in any way related thereto; and
- (j) it relies entirely on its own judgment, inspection and investigation of the Property, and any documentation relating to the Purchased Assets obtained from the Vendor has been prepared or collected solely for the convenience of prospective purchasers and is not warranted to be complete or accurate and is not part of this Agreement.

16. VENDOR'S REPRESENTATIONS AND WARRANTIES

As a material inducement to the Purchaser entering into this Agreement and completing the Transaction, acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 16, the Vendor represents and warrants to the Purchaser as follows:

- (a) subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Vendor, enforceable against the Vendor, in accordance with its terms;
- (b) it is a registrant under Part IX of the ETA;
- (c) it is not a non-resident within the meaning of the *Income Tax Act* (Canada); and
- (d) the Receivership Order is in full force and effect.

17. "AS IS, WHERE IS" ACKNOWLEDGEMENT

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" and "without recourse" basis. Other than as specifically indicated herein, neither the Vendor nor any of its directors, officers, employees, professional consultants or advisors, agents or representatives make or grant any representations, warranties, terms, conditions, understandings or collateral agreements, express or implied, statutory or otherwise, including, without limitation, under the *Sale of Goods Act* (Ontario) and/or all Applicable Law, all of which are expressly waived by the Purchaser, with respect to title, the existence of the Assumed Contracts and/or commercial or residential tenants on the Property, encumbrances, outstanding liens, assignability, merchantability, condition, description, present or future uses, fitness for purpose or use, quality, quantity, marketability, zoning, the existence of any work orders or open permits,

location and/or size, cost, or as to any other matter whatsoever regarding the Purchased Assets and/or the Debtor, either stated or implied. Without limiting the generality of the foregoing, the Purchaser acknowledges having conducted its own due diligence and investigations in respect of the Purchased Assets, including without limitation the environmental state thereof, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Purchased Assets, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under any Environmental Law, and the existence, nature, kind, state or identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about the Purchased Assets or elsewhere. The Purchaser has relied entirely on its own judgment, inspection and investigation of the Purchased Assets, and further acknowledges that, at its own expense, it has inspected the Purchased Assets and in entering into this Agreement and proceeding with and completing its purchase of the Purchased Assets pursuant hereto, it is satisfied with and has relied entirely on its own inspection, investigations and judgment. Save and except for the information and documentation relating to the Purchased Assets provided as at the date of this Agreement in the electronic data room established in respect of the Transaction, the Vendor shall not be obligated to furnish any further due diligence information and documentation relating to the Purchased Assets. Notwithstanding anything contained herein to the contrary, the Purchaser further hereby covenants and agrees to release the Vendor of and from all claims and Liabilities which the Purchaser may have against the Vendor in regard to any matter relating to the Purchased Assets. The provisions of this Section 17 shall not merge on Closing and shall remain in effect thereafter without limitation.

18. TEC LEASE AND TENANCY

- (a) The Vendor makes no representation or warranty whatsoever with respect to the TEC Lease and/or the tenancy thereunder including, without limitation, to the following matters:
- i. whether rent deposits, damage deposits or like payments have been made or not;
 - ii. the correctness of the calculation, both past and present, of all sums received on account of such tenancy;
 - iii. the existence of any renewal rights or the terms associated with any renewal privileges;
 - iv. the absence of any ongoing disputes with the tenant with respect to any matter including the physical condition of the leased premises, any claim of setoff, the existence of rent deposits or renewal privileges;
 - v. the absence of any rights conferred upon the tenant in any occupancy, lease or tenancy agreement or ancillary document granting the tenant additional rights or privileges, including rights of first refusal or options; and/or
 - vi. the absence of any commitment made by the Debtor or any party acting on behalf of the Debtor to grant additional rights or privileges to the tenant.
- (b) The Purchaser acknowledges and agrees that the Vendor shall:
- i. only be required to provide on Closing such information as it may have in hand relating to the Tenant, the amount of the monthly rent, the date of the month on which rent is paid and whether the rent has been paid for the current month, together with any leases (and all amendments and modifications thereto such as amendments or renewal agreements) which are actually in the Vendor's possession; and

- ii. not be required to deliver any documentation on Closing other a direction to the Tenant instructing it to pay future rent to the Purchaser or pursuant to the Purchaser's direction (the "**Tenant's Direction**").
- (c) The Parties each further acknowledge and agree that the only adjustments to be provided on the Statement of Adjustments with respect to any tenancy shall be an adjustment in the Purchaser's favour for any rent actually received by the Vendor for the post-Closing period and an adjustment in the Vendor's favour for all unpaid rents for the month in which Closing occurs.

19. ENCROACHMENTS

The Purchaser acknowledges and agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Property and/or the adjoining lands, or to remove same or for any matters relating to any Applicable Law in existence now or in the future affecting any of the Purchased Assets.

20. INDEMNIFICATION AND RELEASE BY PURCHASER

The Purchaser hereby acknowledges and agrees that:

- (a) it shall indemnify and save harmless the Vendor and its directors, officers, employees, shareholders, agents and representatives and their respective heirs, successors and assigns (collectively, the "**Indemnitees**") from and against any and all Liabilities incurred by or asserted against them arising out of or in connection with the Purchased Assets from and after the Closing Date;
- (b) it shall release and discharge the Indemnitees from any Liabilities that the Purchaser may make, suffer, sustain or incur in regard to any Hazardous Materials relating to the Property. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter in, on, under or in the vicinity of the Property, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials; and
- (c) the foregoing provisions shall not merge on Closing and shall remain in effect thereafter without limitation.

21. NON-REGISTRATION

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgment providing evidence of this Agreement against title to Property. Should the Purchaser be in default of its obligations under this Section 21, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Property. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Property. The Purchaser acknowledges and agrees that the Vendor may rely on the terms of this Section 21 as a full estoppel to any proceeding, suit, claim, motion or other action brought by the Purchaser in order to obtain and attempt to register against the title to the Property any of the items set out in this Section 21.

22. MUTUAL CONDITIONS

- (a) This Agreement is conditional upon:

- (i) the Court granting the Approval and Vesting Order; and
 - (ii) the Approval and Vesting Order being Final.
- (b) The foregoing conditions contained in this Section 22 are inserted for the mutual benefit of Parties and cannot be waived by either one of them. If any of the conditions contained in this Section 22 are not fulfilled or complied with at or prior to the Closing Date, either Party may terminate this Agreement by notice in writing to the other.

23. VENDOR'S CLOSING CONDITIONS

The Vendor shall not be obliged to complete the Transaction unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Vendor and may be waived in writing in whole or in part by the Purchaser at any time:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct on the Closing Date with the same force and effect as if such representations and warranties were made at such time, and a certificate of the Purchaser, dated as of the Closing Date, to that effect shall have been delivered to the Vendor, such certificate to be in a form and substance satisfactory to the Vendor;
- (b) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Purchaser on or before the Closing Date shall have been complied with or performed by the Purchaser;
- (c) no court order restraining or prohibiting Closing shall have been made;
- (d) the Purchased Assets shall not have been removed from the Vendor's control; and
- (e) the Purchaser delivers the documents referenced in Section 26 to the Vendor.

24. ~~PURCHASER'S CLOSING CONDITIONS~~

~~The Purchaser shall not be obliged to complete the Transaction unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Purchaser and may be waived in writing in whole or in part by the Purchaser at any time:~~

- ~~(a) all the representations and warranties of the Vendor contained in this Agreement shall be true and correct on the Closing Date with the same force and effect as if such representations and warranties were made at such time, and a certificate of the Vendor, dated as of the Closing Date, to that effect shall have been delivered to the Purchaser, such certificate to be in a form and substance satisfactory to the Purchaser, acting reasonably;~~
- ~~(b) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Vendor on or before the Closing Date shall have been complied with or performed by the Vendor;~~
- ~~(c) no court order restraining or prohibiting Closing shall have been made; and~~
- ~~(d) the Vendor delivers the documents referenced in Section 25 to the Purchaser.~~

25. REMOVAL OF MATERIAL AND DEBRIS

Notwithstanding Sections 15(i), 15(j) and 17 hereof, the Vendor shall, at its own cost and prior to the Closing Date, remove from the warehouse and the yard forming part of the Property all materials, vehicles, equipment and debris that are the property of the Debtor and that do not form part of the Purchased Assets, and shall leave such areas in a broom-swept condition. With respect to any materials, vehicles, equipment or debris that are the property of the Tenant or of any other third party, the Vendor shall use commercially reasonable efforts to cause the same to be removed prior to the Closing Date. Nothing in this Section shall require the Vendor to remove any Fixtures and Chattels or any other Purchased Assets.

26. VENDOR'S CLOSING DELIVERIES

The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:

- (a) the Approval and Vesting Order;
- (b) the Vendor's Certificate;
- (c) a direction of funds;
- (d) a Statement of Adjustments;
- (e) an assignment and assumption agreement with respect to the Debtor's right, title and interest in any Assigned Contracts, to the extent applicable;
- (f) the Vendor's certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada);
- (g) the Tenants' Direction;
- (h) an application for vesting order in Teraview, prepared by the Vendor's Solicitors, in accordance with the Purchaser's direction re title; and
- (i) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Vendor contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date.

27. PURCHASER'S CLOSING DELIVERIES

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) the balance of the Purchase Price described in Section 5 hereof;
- (b) the Purchaser's certificate and indemnity described in Section 29 hereof;
- (c) an assignment and assumption agreement with respect to the Debtor's right, title and interest in any Assumed Contracts, to the extent applicable;
- (d) an undertaking with respect to refunds and/or reassessments of all realty taxes attributable to the period prior to the Closing Date;

- (e) a direction re title to confirm the name in which title to the Purchased Assets will be taken, provided that such direction must be provided to the Vendor no less than ten (10) Business Days prior to the hearing date for the motion to obtain the Approval and Vesting Order;
- (f) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date; and
- (g) any other documentation relative to the completion of this Agreement as may be required by the Vendor or the Vendor's Solicitors.

28. DOCUMENTATION PREPARATION AND REGISTRATION

The Vendor shall prepare or cause to be prepared all documentation described in Sections 26 and 27 hereof and shall deliver draft documentation to the Purchaser not less than five (5) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Parties, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Parties shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

29. LAND TRANSFER TAXES

The Purchaser shall pay all land transfer taxes as required pursuant to the *Land Transfer Tax Act* (Ontario) in connection with the transfer of the Purchased Assets pursuant to this Agreement. The Vendor has and shall have no obligation or liability in respect of land transfer taxes. The Purchaser shall indemnify and save harmless the Vendor in respect of any Liabilities owing or which may become owing in respect of any land transfer tax exigible, assessed in respect of, or arising out of the completion of the Transaction. The Parties acknowledge and agree that the provisions of this Section 29 shall survive Closing.

30. HARMONIZED SALES TAX

The Purchaser acknowledges and agrees that:

- (a) the Transaction shall be subject to HST and that HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the ETA;
- (b) if (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the ETA; and/or (ii) the Purchaser is a "prescribed recipient" under the ETA and/or is registered under the ETA, then, in each case, the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the ETA or, if no such form is prescribed, then in form satisfactory to the Vendor and the Vendor's Solicitors, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the Transaction. If Subsection (b) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the balance otherwise due at Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the Transaction; and

- (c) the Purchaser shall indemnify and save harmless the Vendor, its directors, officers, employees, shareholders, agents and representatives from all Liabilities other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the Transaction.

31. **PLANNING ACT (ONTARIO)**

This Agreement shall be effective to create an interest in the Property for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing.

32. **NOTICE**

Any notice, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (i) delivered personally (ii) sent by prepaid courier service or (iii) sent by electronic transmission, in each case to the applicable address set out below:

- (a) in the case of the Purchaser at:

Jands Investments Inc. for a corporation to be incorporated

Attn:
Email:

with a copy to the Purchaser's Solicitors:

•
•

Attn: •
Email: •

- (b) in the case of the Vendor at:

KPMG Inc.
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
T: 416 777 8887

Attention: Pritesh Patel
Email: pritpatel@kpmg.ca

Attention: Manoj Oommen
Email: manojoommen@kpmg.ca

with a copy to the Vendor's Solicitors:

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

Attention: George Benchetrit
Email: george@chaitons.com

Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic transmission, provided that such day in either event is a Business Day and the communication is so delivered, e-mailed or sent before 4:30 P.M. (Eastern Daylight Time) on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt. Either Party may from time to time change its address under this Section 31 by notice to the other Party given in the manner provided by this Section.

33. WAIVER OF CONDITIONS

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such Party to complete the Transaction at Closing. Subject to and in accordance with the terms and conditions contained in this Agreement, any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting Party without prejudice to the benefiting Party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the Closing of the Transaction by a Party shall be deemed to be a waiver by such Party of compliance with any condition inserted for its benefit and not satisfied at Closing. For greater certainty, the conditions under Section 22 cannot be waived by either Party.

34. SEVERABILITY

If any provision contained in this Agreement or the application thereof to any Person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to Persons or circumstances other than those to whom/which it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

35. DIVISION/HEADINGS

The division of this Agreement into Sections, Subsections, Paragraphs and Subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

36. ENTIRE AGREEMENT

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

37. CUMULATIVE REMEDIES

No remedy conferred upon or reserved to one or both of the Parties is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or

reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

38. DAMAGES

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

39. INTERPRETATION

This Agreement shall be read with all changes of gender and number as required by the context.

40. STATUTE AND SECTION REFERENCES

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or paragraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

41. AMENDMENTS

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

42. PARAMOUNTCY

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

43. TIME OF ESSENCE

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Parties or their respective solicitors who are hereby expressly appointed for that purpose.

44. CURRENCY AND PAYMENT OBLIGATIONS

Except as otherwise provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian Dollars and any payment contemplated by this Agreement shall be made by certified cheque, bank draft or wire transfer.

45. TENDER

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser and/or their respective solicitors.

46. FURTHER ASSURANCES

Except as otherwise expressed herein to the contrary, each Party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

47. CONFIDENTIALITY

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Vendor's prior written consent, shall not be disclosed to any third-party. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Vendor and no copies (physical or digital) and/or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and Vendor further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's Solicitors, agents or lenders acting in connection herewith and then only on the basis that such Persons also keep such terms confidential as aforesaid.

48. NON-BUSINESS DAYS

In the event that any date specified, or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

49. GOVERNING LAWS

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

50. ASSIGNMENT

No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, the Purchaser shall have the right, upon written notice to the Vendor's Solicitors delivered not less than ten (10) Business Days prior to the motion to be heard in respect of the Approval and Vesting Order, to assign, in whole or part, its rights to acquire the Purchased Assets hereunder to any company or companies affiliated (as that term is defined in the *Business Corporations Act* (Ontario)) with the Purchaser. Provided that notwithstanding the foregoing, in no event shall any assignment relieve the Purchaser of any of its obligations under this Agreement to and including Closing and the Purchaser shall remain jointly and severally liable with any such assignee for the performance of all of the terms and conditions on the part of the Purchaser to be performed pursuant to the terms and conditions of this Agreement including the execution of all closing documents up to and including the Closing Date.

51. VENDOR'S CAPACITY

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as Court-Appointed Receiver and Manager and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any Liabilities against the Vendor shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Receiver and Manager and shall not apply to its personal property and other assets held by it in any other capacity.

52. SUCCESSORS AND ASSIGNS

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

53. THIRD PARTY BENEFICIARIES

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

54. NO INTERMEDIARIES

The Parties acknowledge and agree that the Purchaser shall not be liable for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Vendor. The Parties further acknowledge and agree that the Vendor shall not be liable for any commission or other remuneration payable or alleged to be payable to any broker, agent or other intermediary who purports to act or have acted for the Purchaser.

55. COUNTERPARTS AND ELECTRONIC TRANSMISSION

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed either in original or electronic form and the Parties adopt any signatures received by electronic transmission as original signatures of the Parties.

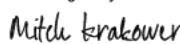
56. IRREVOCABLE

This Agreement shall be irrevocable by the Purchaser until no earlier than 5:00 P.M. (Eastern Daylight Time) on September 16, 2026.

[remainder of this page intentionally left blank]

DATED as of the date first written above.

Jands Investments Inc. for a corporation to be incorporated

DocuSigned by:

Per: _____
Name: Mitch Krakower
Title: CEO

Per: _____
Name: _____
Title: _____

I/We have authority to bind the corporation.

The Vendor hereby accepts this offer to purchase, subject to the conditions stated above.

DATED this 15 day of September, 2026.

KPMG INC., solely in its capacity as Court-appointed receiver and manager of all the assets, undertakings and properties of Onyxa Holding Group Inc., and not in its personal or corporate capacity and without personal or corporate liability

Per:  _____
Name: Pritesh Patel
Title: Senior Vice-President

Per: _____
Name: _____
Title: _____

I/We have authority to bind the corporation.

SCHEDULE "A"

THE PROPERTY

PIN: 10299-0107 (LT)

Description: PARCEL 15-3 SECTION B5936, PART BLOCK 15 PLAN 5936, PARTS 58, 59 & 60, 66R12710, TWP OF YORK/NORTH YORK , CITY OF TORONTO

Address: 157 Toryork Drive, Toronto, ON

Registered Owner: Onyxa Holding Group Inc.

SCHEDULE "B"

THE PERMITTED ENCUMBRANCES

1. any registered reservations, restrictions, rights of way, easements or covenants that run with the Lands;
2. any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service;
3. all Applicable Laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Lands;
4. any minor easements for the supply of utility service to the Lands or adjacent properties;
5. encroachments disclosed by any errors or omissions in existing surveys of the Lands or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-laws or any other Applicable Law, by-laws or regulations which might be disclosed by a more up-to-date survey of the land and survey matters generally;
6. the exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. the reservations contained in the original grant from the Crown;
8. liens for taxes if such taxes are not due and payable;
9. Instrument NY579166 registered 1970/07/20, Bylaw Ex Part Lot
10. Instrument NY632269 registered 1973/01/29, Notice - Department Of Transportation
11. Instrument 64BA612 registered 1975/04/03, Plan Boundaries Act
12. Instrument 66R9368 registered 1977/04/22, Plan Reference
13. Instrument E317117 registered 2000/03/27, Notice - Her Majesty The Queen In Right Of The Department Of Transport Canada