SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-007321374-00CL **DATE: July 24, 2025**

NO. ON LIST: 2

TITLE OF PROCEEDING:

Bank of Montreal vs. 1000915701 Ontario Inc. / HOHS Drugs Limited / Dang, Huan
Grant Thornton Limited (Receiver)

BEFORE: Justice Steele

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Monica Faheim	Bank of Montreal	mfaheim@millerthomson.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Laura Culleton, Counsel for the Receiver	Grant Thornton Limited – Proposed Receiver of HOHS Drugs Limited	laurac@chaitons.com
Danish Afroz, Counsel for the Receiver		dafroz@chaitons.com
Bruce Bando, Proposed Receiver	Grant Thornton Limited	Bruce.bando@ca.gt.com

ENDORSEMENT OF JUSTICE STEELE:

[1] The receiver brings a motion seeking approval of the First Report and professional fees, approval of certain distributions and a release and discharge, among other things.

[2] No one opposes the relief sought in the order. Bank of Montreal supports the relief sought.

[3] Capitalized terms used in this endorsement that are not defined herein have the meaning set out in the Receiver's factum.

[4] The assets of the company over which the Receiver was appointed have been monetized. Following completion of the Remaining Duties as set out at para. 71 of the First Report, the Receiver will have completed its mandate.

[5] The Receiver seeks to make a distribution to McKesson. The Receiver obtained an opinion from its counsel confirming that the inventory agreements with McKesson created a security interest in favour of McKesson over certain assets, including inventory supplied or distributed to the Company by or on behalf of McKesson.

[6] The Receiver also seeks to make a distribution to the Bank of Montreal. The Receiver obtained an opinion from its counsel regarding the validity of the Bank's security. The opinion provides that subject to the customary qualifications, the security held by the Bank is valid. The Bank is expected to suffer a significant shortfall.

[7] The Receiver is not aware of any other secured creditors or any other claim that ranks or may rank in priority to the Bank or McKesson, other than amounts secured by the Receiver's Charge.

[8] There are three reserves contemplated:

a. The fee accrual of $125,000 for professional fees to complete the remaining matters.

b. The Revenue Adjustment Holdback of $400,000, which is sufficient to satisfy any potential obligations arising due to a Revenue Adjustment under the Manning SPA.

c. The Claim Reserve Holdback of $250,000, which is sufficient to satisfy any claims made against the Claim Reserve (if any).

[9] The Receiver indicated that it was its expectation that both the Revenue Adjustment Holdback and Claim Reserve Holdback will be addressed soon. The proposed Order provides that the Receiver may distribute any remaining amount of the reserves to the Bank, up to the amount of the indebtedness owing to the Bank.

[10] As noted above, once the Receiver has completed the Remaining Activities, its mandate will be completed. The Receiver therefore asks that the Receivership Proceedings be terminated, and the Receiver be discharged and released following the filing by the Receiver of the Discharge Certificate, certifying that the Receiver has completed its remaining activities. The proposed order contains provisions providing for the Receiver's release from liability on its discharge (subject to the usual exceptions for gross negligence and wilful misconduct).

[11] Order attached.