

**CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL**

**SUPERIOR COURT
(Commercial Division)**

N°: 500-11-066133-253

**IN THE MATTER OF THE COMPANIES'
CREDITOR ARRANGEMENT ACT, R.S.C.
1985, C C-36 OF:**

ATALLAH GROUP INC.

-and-

ATALLAH INTERNATIONAL INC.

-and-

9416-7145 QUÉBEC INC.

-and-

ATALLAH GROUP US INC.

-and-

ATALLAH GROUP LIMITED

-and-

ATALLAH GROUP EU SRL

Debtors

-and-

ERNST & YOUNG INC.

Monitor

-and-

9549-0348 QUÉBEC INC.

Impleaded Party (Purchaser)

-and-

**THE REGISTRAR FOR THE REGISTER OF
PERSONAL AND MOVABLE REAL RIGHTS
(QUÉBEC),** having its head of office at 1, Notre-
Dame East, in the district and city of Montréal,
province of Québec, H2Y 1B6

Impleaded Party

**APPLICATION FOR THE ISSUANCE OF AN APPROVAL AND
VESTING ORDER**

**(Section 36 of the Companies' Creditors Arrangement Act, RSC
1985, c C-36)**

TO THE HONOURABLE JUSTICE ANDRES C. GARIN, S.C.J., OF THE SUPERIOR COURT, SITTING IN THE COMMERCIAL DIVISION, IN AND FOR THE JUDICIAL DISTRICT OF MONTREAL, THE DEBTORS RESPECTFULLY SUBMIT THE FOLLOWING:

I. INTRODUCTION

1. The Debtors, which are comprised of Atallah Group Inc. ("**Atallah Group**"), Atallah International Inc., 9416-7145 Québec Inc., Atallah Group US Inc., Atallah Group Limited and Atallah Group EU SRL (collectively, the "**SSENSE Group**" or the "**Debtors**"), hereby submit the present *Application for the Issuance of an Approval and Vesting Order* (the "**Application**"), by which the Debtors, seek the issuance of an approval and vesting order from the Superior Court of Québec (Commercial Division) (the "**Court**"), pursuant to section 36 of the *Companies' Creditors Arrangement Act*, R.S.C., 1985, c. C-36, as amended (the "**CCAA**"). A copy of the draft Approval and Vesting Order sought by the Debtors is communicated herewith as **Exhibit R-1** (the "**Approval and Vesting Order**")¹.
2. More specifically, the Debtors seek the issuance of an Approval and Vesting Order which will provide for, *inter alia*, the following relief:
 - a) Approval of the Purchase Agreement. The authorization for the Debtors to execute the sale transaction (the "**Transaction**") contemplated in the *Asset Purchase Agreement* (the "**Purchase Agreement**") entered into on January 10, 2026, between 9549-0348 Québec Inc. (the "**Purchaser**")², as purchaser, and Atallah Group Inc., 9416-7145 Québec Inc., Atallah Group US Inc. and Atallah Group Limited (the "**Vendors**"), as vendors. An unredacted copy of the Purchase Agreement is communicated herewith, under seal, as **Exhibit R-3A**, and a redacted copy of the Purchase Agreement is communicated herewith as **Exhibit R-3B**;
 - b) Vesting of the Assets and Properties. Vesting in the Purchaser all of the Vendors' rights, titles and interests in substantially all assets and properties owned or used by the Vendors as described in the Purchase Agreement, free and clear of any and all Encumbrances (as such term is defined in the Approval Vesting Order);

¹ A redline version of the Approval and Vesting Order against the model Approval and Vesting Order developed by the Liaison Committee of the Commercial Division of the Superior Court is communicated herewith as **Exhibit R-1A**. The Debtors will also be seeking an order, in French, for the cancellation and reduction of security registrations substantially in the form of the draft order communicated herewith as **Exhibit R-2** (the "**Ordonnance d'annulation et de radiation**").

² The Purchaser will ultimately be a group formed by the founders of the Debtors and First Avenue Advisory Inc.

- c) Stay Extension. An extension of the Stay Period (as defined below) until March 20, 2026; and
 - d) Sealing Order. The sealing of the unredacted copy of the Purchase Agreement (Exhibit R-3A).
3. As will be further discussed below, the execution of the Purchase Agreement represents the culmination of an extensive and robust solicitation process conducted by the Debtors and the Monitor (the “**SISP Team**”), in consultation with Deloitte Restructuring Inc. (“**Deloitte**”), as financial advisor to the Lending Syndicate (as such term is defined below), all in accordance with the SISP Order (as defined below) previously granted by this Court.
 4. The Transaction contemplated in the Purchase Agreement constitutes the best available outcome for the Debtors and their stakeholders in the circumstances, as it will allow for the pursuit of the Debtors’ operations as a going concern, the preservation of jobs for more than 760 employees (comprised of more than 660 regular employees, and at least 100 occasional on-call employees, most of which are in Quebec), the assumption of several dozens of contracts with suppliers, as well as for the maximization of creditor recovery.
 5. The Debtors understand that Ernst & Young Inc., in its capacity as court-appointed monitor (“**EY**” or the “**Monitor**”), will be preparing and submitting, in advance of the hearing on the Application, a report to the Court (the “**Monitor’s Report**”) recommending the approval of the Purchase Agreement and of the Transaction contemplated thereunder based on its independent analysis thereof.
 6. Unless indicated otherwise, all references to currency in this Application are in Canadian Dollars.

II. PROCEDURAL BACKGROUND

7. On August 27, 2025, the “**Lending Syndicate**”, consisting of Bank of Montreal, acting as administrative agent for itself and Royal Bank of Canada, JP Morgan Chase Bank, N.A., Toronto Branch, National Bank of Canada, The Bank of Nova Scotia and JP Morgan SE filed an application entitled *Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and a Sale and Investment Solicitation Process Approval Order* (the “**Lending Syndicate’s CCAA Application**”) under the CCAA.
8. On August 29, 2025, September 5, 2025 and September 8, 2025, the Court rendered various *Ordonnances intérimaires*, as part of which, *inter alia*, a stay of proceedings was ordered in favour of the Debtors, their directors and officers and their assets (the “**Stay**”), pending the issuance of an order in respect of the Lending Syndicate’s CCAA Application or, alternatively, in respect of an upcoming CCAA application to be filed by the Debtors at that point in time.
9. On September 11, 2025, after intensive discussions and negotiations between the Debtors and the Lending Syndicate, the Debtors filed, on a consensual basis with

the Lending Syndicate, an application entitled *Application for the Issuance of a First Day Order, an Amended and Restated Initial Order and a SISP Order* (the “**Debtors’ CCAA Application**”).

10. On September 12, 2025, this Court granted the Debtors’ CCAA Application and issued an Initial Order (the “**Initial Order**”) as well as a Sale and Investment Solicitation Process Order (the “**SISP Order**”).
11. Pursuant to the Initial Order, the Court, *inter alia*:
 - a) appointed EY as the Monitor of the Debtors in the context of their proceedings commenced under the CCAA (the “**CCAA Proceedings**”);
 - b) ordered an extension of the Stay until September 22, 2025 (the “**Stay Period**”);
 - c) approved a debtor-in-possession financing facility to be provided by the Bank of Montreal, Royal Bank of Canada, JP Morgan Chase Bank, N.A., Toronto Branch, National Bank of Canada and The Bank of Nova Scotia (collectively, the “**Interim Lenders**”) in an amount of \$15,000,000 (the “**Interim Lenders Interim Facility**”) and granted a super-priority charge against the Debtors’ assets, undertakings and properties (collectively, the “**Property**”) in favour of the Interim Lenders to secure the Interim Lenders Interim Facility in an initial amount of \$18,000,000 (the “**Interim Lender’s Charge**”);
 - d) approved a debtor-in-possession financing facility to be provided by Debtors through 9549-0348 Québec Inc., a company owned and controlled by the founders of the Debtors (collectively, the “**Founders**”) in an amount of \$25,000,000 and granted a super-priority charge against the Property in favour of the Founders in an amount of \$30,000,000 (the “**Founders Interim Charge**”);
 - e) approved a super-priority administration charge against the Debtors’ Property in an initial amount of \$850,000 to secure the Debtors’ obligations towards the undersigned counsel, the Monitor, the Monitor’s counsel, the Lending Syndicate’s counsel and the Lending Syndicate’s financial advisor;
 - f) approved a super-priority charge against the Debtors’ Property in an initial amount of \$7,400,000 to secure the Debtors’ indemnification obligations towards their respective directors and officers (“**D&Os**”) in connection with potential liabilities that could arise as and from the restructuring proceedings to the extent that such potential liabilities are not covered by existing insurance policies;
 - g) approved a Key Employee Retention Plan (the “**KERP**”) which provided various retention incentives to be paid to certain selected key employees and executives that were considered essential for the successful conduct of the Debtors’ restructuring proceedings, as well as a super-priority charge

against the Property in an amount of \$2,500,000 to secure the Debtors' obligations under the KERP; and

- h) declared Canada as the “*center of main interest*” of the Debtors.
12. Pursuant to the SISP Order, the Court approved, *inter alia*, the conduct of a sale and investment solicitation process (the “**SISP**”) in respect of the Debtors in accordance with the Procedures for the Sale and Investment Solicitation Process annexed at Schedule A to the SISP Order (the “**SISP Procedures**”).
 13. On September 22, 2025, this Court issued a Stay Extension Order extending the Stay Period until September 26, 2025, and on September 26, 2025, this Court issued an Amended and Restated Initial Order (the “**ARIO**”), pursuant to which the Court ordered, *inter alia*, a further extension of the Stay Period until December 5, 2025.
 14. On September 29, 2025, Atallah Group filed an *Application for the Homologation of a Transaction*, by which it sought the homologation of the settlement agreement entered into on August 27, 2025 (the “**Dematic Settlement Agreement**”) with Dematic Limited (“**Dematic**”) (as amended on October 30, 2025, the “**Application for Homologation**”). On November 18, 2025, this Court rendered a judgment granting the Application for Homologation (the “**Homologation Judgment**”) and on December 19, 2025, the Court of Appeal of Québec granted Dematic’s *Application de bene esse for Leave to Appeal of the Homologation Judgment*. As at the date of this Application, the appeal in respect of the Homologation Judgment remains pending.
 15. On November 20, 2025, the Royal Bank of Canada (“**RBC**”)³, in its capacity as equipment lessor under a leasing agreement (the “**RBC Leasing Agreement**”) filed an application entitled *Application of the Royal Bank of Canada for Declaratory Judgment, Rent Payment of Leased Equipment and, Subsidiarily, for Compensation* (the “**RBC Application**”) essentially seeking a declaration that RBC is the owner of the “RBC Leased Equipment” (as defined in the RBC Application) and a declaration that the contracts entered into with Atallah Group Inc. constitute “*true leases*” (as opposed to “*financing leases*”), such that the amounts owing thereunder should be paid by the Debtors, *retroactively* since the commencement of the CCAA Proceedings.
 16. On January 5 and 7, 2025, respectively, the Debtors and the Lending Syndicate filed a contestation in respect of the RBC Application. However, since the assets to be sold to the Purchaser as part of the Transaction do *not* include the “RBC Leased Equipment” (as defined in the RBC Application) and the Purchase Agreement provides that any amounts that may be owed to RBC for the use of such equipment for a *post-closing* term of three (3) months will be paid from the Purchase Price, the only remaining issue in relation to the RBC Application therefore concerns RBC’s monetary claim for the use of the “RBC Lease

³ RBC is also a member of the Lending Syndicate and of the Interim Lenders.

Equipment” *pre-closing*, which can be more appropriately dealt with at the distribution stage of the CCAA Proceedings (once the Transaction actually closes).

17. On December 5, 2025, this Court issued a Stay Extension Order extending the Stay Period until December 12, 2025, and on December 12, 2025, this Court issued a further Stay Extension Order extending the Stay Period until January 30, 2026, in order to allow the SISP Team to complete the SISP.

III. THE DEBTORS’ SOLICITATION EFFORTS⁴

18. As previously discussed, on September 12, 2025, this Court issued the SISP Order, thereby authorizing the SISP Team, in consultation with Deloitte, to pursue the SISP in accordance with the SISP Procedures appended to the SISP Order.
19. As part of the SISP, the SISP Team sought to secure a broad range of potential transactions, the objectives of which were to secure one or more transaction(s) that would ideally allow the pursuit of the Debtors’ operations as a going concern while maximizing the value of the Debtors’ assets, for the benefit of all of their creditors and other stakeholders. This being said, the SISP Team, in consultation with Deloitte, also determined that it would be prudent to solicit offers from liquidators, to prepare for a potential scenario where no going concern offers would be submitted as part of the SISP.
20. The SISP was therefore designed to be broad and flexible and was intended to solicit interest in, and opportunities for, a wide range of potential transactions for a sale in respect of the Debtors’ businesses and/or assets, through one or multiple transactions and/or investment, recapitalization, refinancing or other form of reorganization transaction(s).
21. The SISP Procedures, as approved by the Court, originally contemplated the completion of the following SISP milestones:

EVENT	KEY DATE
PHASE 1	
<u>Solicitation Letter</u> Monitor to distribute Solicitation letter to potentially interested parties	By no later than September 19, 2025
<u>CIM and VDR</u> Debtors with the assistance of the Monitor to prepare and have available for parties having executed the NDA (Potential Bidders) the CIM and VDR	By no later than September 22, 2025

⁴ All capitalized terms not otherwise defined in this section will have the meaning ascribed to them in the SISP Procedures.

<p><u>Phase 1 Qualified Bidders & Bid Deadline</u> Phase 1 Bid Deadline (for delivery of non-binding LOIs by Phase 1 Qualified Bidders in accordance with the SISP Procedures)</p>	<p>By no later than October 13, 2025, at 5:00 p.m. (prevailing Eastern Time)</p>
<p><u>Phase 1 Satisfactory Bid</u> Monitor to notify each Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Satisfactory Bid.</p>	<p>By no later than October 17, 2025, at 5:00 p.m. (prevailing Eastern Time)</p>
<p>PHASE 2</p>	
<p><u>Phase 2 Bid Deadline & Qualified Bidders</u> Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the SISP Procedures)</p>	<p>By no later than November 21, 2025, at 5:00 p.m. (prevailing Eastern Time)</p>
<p><u>Auction(s)</u> Auction(s) (if required in accordance with the SISP Procedures)</p>	<p>Week of November 24, 2025</p>
<p><u>Selection of final Successful Bid(s)</u> Deadline for selection of final Successful Bid(s)</p>	<p>By no later than December 2, 2025, at 5:00 p.m. (prevailing Eastern Time)</p>
<p><u>Definitive Documentation</u> Completion of definitive documentation in respect of Successful Bid(s)</p>	<p>By no later than December 4, 2025, at 5:00 p.m. (prevailing Eastern Time)</p>
<p><u>Approval Application – Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)</p>	<p>Week of December 8, 2025</p>
<p><u>Closing – Successful Bid(s)</u> Anticipated deadline for closing of Successful Bid(s)</p>	<p>Week of December 15, 2025 or such earlier date as is achievable</p>
<p><u>Outside Date – Closing</u> Outside Date by which the Successful bid must close</p>	<p>December 23, 2025</p>

A. Phase 1 of the SISP

22. After the SISP Order was granted, Phase 1 of the SISP was officially launched, and the Monitor, in consultation with Deloitte, proceeded with the following:
 - a) published a notice of the SISP on the Monitor's website;
 - b) prepared and sent a "teaser" and a non-disclosure agreement ("**NDA**") to a list of 170 parties (93 financial and 77 strategic) which reflected a wide cross section of the market for potential bidders (including liquidators), and who could therefore potentially be interested in a transaction involving the Debtors' business and/or assets;
 - c) circulated to 51 potential bidders having executed an NDA a Confidential Information Memorandum ("**CIM**") providing such potential bidders with various information regarding the Debtors, their business and assets (the "**Phase 1 Qualified Bidders**"), which Phase 1 Qualified Bidders were also granted access to a confidential virtual data room set up by the Monitor to perform their due diligence;
 - d) held several diligence calls and discussions with Phase 1 Qualified Bidders; and
 - e) received several non-binding letters of intents ("**LOIs**") by the Phase 1 Bid Deadline of October 13, 2025.
23. After receiving the above-mentioned LOIs, the Monitor, in consultation with Deloitte, carefully reviewed and assessed same, and notified all parties having submitted an LOI to advise them whether or not they were qualified as "Phase 2 Qualified Bidders", and whether or not their respective bids constituted a Phase 1 Satisfactory Bid in accordance with the SISP Procedures without submitting an LOI.
24. Pursuant to the SISP Procedures, the Founders were deemed to be "Phase 2 Qualified Bidders" and were therefore permitted to proceed with Phase 2 of the SISP.
25. It is important to note that since the Founders advised the Monitor at the outset of the SISP of their intention to participate in the SISP and submit a bid in the context thereof, several procedural safeguards were implemented in order to preserve the integrity of the SISP. In fact, in accordance with paragraph 48 of the SISP Procedures, no information regarding the SISP (including regarding the identity or number of parties having signed an NDA or regarding the bids submitted in the context thereof) was provided to the Founders.

B. Phase 2 of the SISP

26. Upon determination by the Monitor (in consultation with Deloitte) of the identity of the “Phase 2 Qualified Bidders”, such bidders and were invited to proceed to Phase 2 of the SISP and to pursue their due diligence efforts, with a view to allowing them to submit a Binding Offer, in accordance with the SISP Procedures.
27. As part of such due diligence, the aforementioned Phase 2 Qualified Bidders were given access to further confidential information regarding the Debtors and were given the opportunity to, *inter alia*:
 - (a) participate in management meetings, site visits and discussions with the Debtors, in the presence and under the supervision of the Monitor; and/or
 - (b) participate in meetings and discussions with the Debtors’ creditors, including the Lending Syndicate, in the presence and under the supervision of the Monitor.
28. Over the course of Phase 2 of the SISP, the Monitor, in collaboration with the Debtors, performed the following tasks:
 - (a) responded to hundreds of due diligence requests received from Phase 2 Qualified Bidders and their respective legal and financial advisors;
 - (b) organized and facilitated in person and virtual meetings between the Phase 2 Qualified Bidders and management of the Debtors, in the presence of the Monitor; and
 - (c) organized and facilitated meetings between the Phase 2 Qualified Bidders and some of the Debtors’ creditors, including RBC and the Lending Syndicate, also in the presence of the Monitor.
29. During Phase 2 of the SISP, certain Phase 2 Qualified Bidders expressed concerns regarding the Phase 2 Bid Deadline, the target closing date and the outside date, which concerns and requests were assessed and discussed amongst the Debtors (excluding the Founders), the Monitor, the Lending Syndicate and Deloitte.

30. With the support of all of the above parties, including the Lending Syndicate, the SISP milestone dates were amended for first time on November 17, 2025 and a second time on November 28, 2025 as follows:

PHASE 2			
Event	Initial Dates	Revised dates (as of November 17, 2025)	Revised dates (as of November 28, 2025)
<u>Phase 2 Bid Deadline & Qualified Bidders</u> Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the SISP Procedures)	By no later than November 21, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 1, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 8, 2025, at 5:00 p.m. (prevailing Eastern Time)
<u>Auction(s)/Mandatory Auction</u>	Week of November 24, 2025	By no later than December 8, 2025	By no later than December 15, 2025
<u>Selection of final Successful Bid(s)</u> Deadline for selection of final Successful Bid(s)	By no later than December 2, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 10, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 17, 2025, at 5:00 p.m. (prevailing Eastern Time)
<u>Definitive Documentation</u> Completion of definitive documentation in respect of Successful Bid(s)	By no later than December 4, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 12, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than December 19, 2025, at 5:00 p.m. (prevailing Eastern Time)
<u>Approval Application – Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)	Week of December 8, 2025	Week of December 15, 2025	By no later than December 30, 2025
<u>Closing – Successful Bid(s)</u>	Week of December 15, 2025 or such earlier date as is achievable	By no later than December 23, 2025	By no later than January 16, 2026

Anticipated deadline for closing of Successful Bid(s)			
<u>Outside Date – Closing</u> Outside Date by which the Successful bid must close	December 23, 2025	December 23, 2025	January 30, 2026

31. These amendments to the SISP milestones were communicated by the Monitor to the Phase 2 Qualified Bidders and to the service list.
32. On December 8, 2025, being the second revised Phase 2 Bid Deadline, the Monitor received two (2) Binding Offers from Phase 2 Qualified Bidders.
33. After having analyzed the Binding Offers received in Phase 2 of the SISP, the Monitor, in consultation with Deloitte and the Lending Syndicate, determined that the terms and conditions of the Binding Offers received were not acceptable.
34. Accordingly, the Monitor was of the view that all Binding Offers received should be rejected and all Phase 2 Qualified Bidders who remained interested in the SISP should be provided with an ultimate and limited opportunity to confirm, submit, revise and/or improve a Binding Offer by no later than December 23, 2025, at 10:00 a.m. (Eastern Standard Time) (the “**Relaunched SISP**”), the objective being to provide all interested parties with an equal opportunity to put forward an improved bid.
35. The Monitor communicated its aforementioned recommendation to Deloitte who, upon the instructions of the Lending Syndicate, confirmed the latter’s support with respect to such recommendation, subject to the Debtors complying with certain covenants in connection with the maintenance of certain liquidity levels. The Monitor’s recommendation was also set out in its Third Report to the Court dated December 11, 2025.
36. On December 12, 2025, the Lending Syndicate, through its counsels, confirmed to the Court its support to proceed with the Relaunched SISP.

C. The Relaunched SISP

37. On December 12, 2025, the Monitor sent a letter to three (3) Phase 2 Qualified Bidders, who remained interested in the SISP, describing the process and timeline for the Relaunched SISP, and specifically reminding each of the Phase 2 Qualified Bidders that in accordance with the SISP Procedures, no Binding Offer should be subject to any financing condition and that all terms of the SISP Procedures continued to apply to the Relaunched SISP.

38. Based upon the agreement reached with the Lending Syndicate, the timeline for the Relunched SISP was as follows:

PHASE 2	
Event	Dates
<u>Phase 2 Bid Deadline & Qualified Bidders</u> Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the SISP Procedures)	By no later than December 23, 2025, at 10:00 a.m. (prevailing Eastern Time)
<u>Auction(s)/Mandatory Auction</u> Auction(s) (if required in accordance with the SISP Procedures)	By no later than December 30, 2025
<u>Selection of final Successful Bid(s)</u> Deadline for selection of final Successful Bid(s)	By no later than January 6, 2026, at 5:00 p.m. (prevailing Eastern Time)
<u>Definitive Documentation</u> Completion of definitive documentation in respect of Successful Bid(s)	By no later than January 8, 2026, at 5:00 p.m. (prevailing Eastern Time)
<u>Approval Application – Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)	By no later than January 15, 2026
<u>Closing – Successful Bid(s)</u> Anticipated deadline for closing of Successful Bid(s)	By no later than January 30, 2026
<u>Outside Date – Closing</u> Outside Date by which the Successful bid must close	February 13, 2026

39. On December 15, 2025, the Monitor held calls with each of the Phase 2 Qualified Bidders who were invited to participate in the Relunched SISP in order to ensure that the rules and timeline of the Relunched SISP were clear to all. In addition, the Monitor provided specific feedback to the Phase 2 Qualified Bidders that had previously submitted Binding Offers on December 8, 2025, to ensure that Binding Offers received in the context of the Relunched SISP would be capable of being accepted within the very tight timeline that had been agreed upon.
40. On December 23, 2025, the Monitor received two (2) Binding Offers, copies of which were transmitted by the Monitor to Deloitte. The Debtors understand that a summary of these Binding Offers will be annexed to the upcoming Monitor’s report to be filed in support of this Application.
41. After receiving the above Binding Offers, the Monitor carefully reviewed and assessed same.

42. Ultimately, the Binding Offer submitted by the Purchaser was the only Binding Bid that complied with the SISP Procedures and the rules of the Relunched SISP and, as such, is the only Binding Offer could be qualified as a Phase 2 Qualified Bid.
43. In light of those circumstances, the Monitor advised Deloitte (as well as the aforementioned bidders) that no auction would be held on December 30, 2025.
44. As will be more fully set out in the Monitor's report, on January 2, 2026, after having formed its own independent assessment, the Monitor formally advised Deloitte that it was of the view that:
 - (a) the Purchaser's Binding Offer was the only Binding Offer submitted in compliance with the SISP Procedures and therefore was the only Phase 2 Qualified Bid capable of being accepted;
 - (b) the Purchaser's Binding Offer was more advantageous than a bankruptcy, as it would allow the following:
 - (i) Generation of proceeds for the Lending Syndicate that are in all likelihood no less than in a liquidation scenario, with certainty on realization of the Lending Syndicate;
 - (ii) Continuation of uninterrupted employment for more than 760 employees;
 - (iii) Customer returns honoured (the estimated liability for customer returns was \$19.5M);
 - (iv) Maintenance of long-term business relationships with numerous suppliers (and, in certain cases, assumption of cure costs);
 - (v) Limitation of risks with respect to contestation of designers with respect to a forced liquidation of their inventory at deeply discounted prices; and
 - (c) ultimately, a liquidation of the Debtors' assets would have significant risks, both from an execution and realization value perspective, and the fact of the matter is that no liquidation offer was even submitted in the context of the SISP (despite various liquidators having been solicited).
45. Accordingly, the Monitor advised Deloitte that it was of the view that the Purchaser's bid should be selected as the "Successful Bid" in the context of the Relunched SISP and recommended that the Purchaser's Binding Offer be submitted to the Court for approval.
46. Following the above, the Monitor continued its discussions with Deloitte regarding its recommendation.

47. On January 7, 2026, based upon its independent analysis and recommendation, the Monitor declared the Purchaser's bid as the "Successful Bid" pursuant to the SISP Procedures, as it appears from the Successful Bid Notice communicated herewith as **Exhibit R-4**.
48. On the same day, despite the Monitor's recommendation, counsel for the Lending Syndicate sent a letter (the "**January 7, 2026 Letter**") to both the Debtors and to the Monitor advising them of, *inter alia*, the following, as appears from a copy of such letter dated January 7, 2026, communicated herewith as **Exhibit R-5**:

"the Banking Syndicate has determined that the terms and conditions of the Founders Bid are not, without limiting the generality of the foregoing, fair and reasonable to the Banking Syndicate and that the purchase price set forth in the Founders Bid is clearly insufficient, even in a going concern scenario, to repay the outstanding indebtedness owing to our clients. Therefore, we are formally advising you that our clients intend to contest any application for the approval of the Founders Bid as the Successful Bid. In addition, the Banking Syndicate intends to ask the Court to authorize the Monitor to proceed with the orderly liquidation of all of the Property of the Debtors or alternatively to appoint Deloitte Restructuring Inc. as receiver in order to proceed with such liquidation."

[Our emphasis]

49. Although the Purchaser's Binding Offer did not "*repay the [entire] outstanding indebtedness owing to [Banking Syndicate]*", such offer still provided, however, a meaningful recovery to the Banking Syndicate, and to other creditors' whose contracts would be assumed, and contemplated the pursuit of the Debtors' business and operations as a going concern, the maintenance of the Debtors' relationship with several hundred of their suppliers and stakeholders, perhaps most importantly, the preservation of more than 760 employees, most of which are located in Montreal, Quebec.
50. Accordingly, on January 10, 2026, the undersigned counsels replied to the January 7, 2026 Letter advising counsel to the Lending Syndicate that they did not understand the basis upon which the Lending Syndicate could impose the abortion of the Debtors' ongoing restructuring efforts, force the shut-down of their business operations and the permanent layoff of hundreds of employees and, ultimately, force the liquidation of all of their assets, in the hopes of *potentially* increasing its recovery (bearing in mind that several liquidators with required experience and wherewithal to carry large and complex liquidations were contacted by the Monitor as part of the SISP but ultimately decided not to submit any liquidation offers). In any event, as part of such response letter (the "**January 10, 2026 Response Letter**"), the undersigned counsels advised the Lending Syndicate that the Debtors owed a duty to all of their creditors and other stakeholders, including the hundreds of employees whose employment is at stake, to proceed with the acceptance of the Purchaser's Binding Offer and seek the Court's approval thereof, keeping in mind that any further delay would simply contribute to the deterioration of the

Debtors' business and the value of their assets. A copy of the January 10, 2026 Response Letter is communicated herewith as **Exhibit R-6**.

51. Following the above, the Debtors and the Purchaser, assisted by their respective advisors, worked intensively to finalize the definitive transaction documents reflecting the terms and conditions of the Purchaser's bid.
52. The Purchase Agreement was finalized and executed on January 10, 2026.
53. Below is a summary description of the terms and conditions of the Purchase Agreement, and of the Transaction contemplated thereunder.

IV. DESCRIPTION OF THE PURCHASE AGREEMENT AND THE TRANSACTION

A. Overview of the Terms and Conditions of the Purchase Agreement

54. The Purchase Agreement, and the Transaction contemplated therein, provide for, *inter alia*, the following material terms and conditions:⁵

<u>KEY TERMS</u>	<u>PURCHASE AGREEMENT</u>
Purchased Assets⁶	All of the Vendors' right, title and interest in and to those assets set forth in Schedule A of the Purchase Agreement, including (i) all Accounts Receivables, (ii) all machinery, equipment, furnishings, furniture, parts, computer hardware, supplies, accessories, office equipment and other tangible personal and moveable property (other than inventory) owned by the Vendors for use in or relating to the Business (excluding any property that is subject to a leasing (credit-bail) or instalment sale (vente à temperament), (iii) all intangible property related to the Business, (iv) goodwill, (v) all software, (vi) all Inventory, (vii) all rights, title and interests of the Vendors in and under the Assigned Contracts and the Real Property Leases, (viii) all rights and interests under or pursuant to all warranties, representations and guarantees, express, implied or otherwise, of or made by suppliers or others in connection with the Purchased Assets or otherwise arising from the operation of the Business, (ix) all prepaid charges, deposits, sums and fees related to the Business or held in respect of the

⁵ All capitalized terms not otherwise defined in this Section shall have the meaning ascribed to them in the Purchase Agreement.

⁶ Pursuant to the Purchase Agreement, the Purchaser may, prior to the hearing on the Approval and Vesting Order, on written notice to the Vendors and the Monitor, elect to specifically exclude any assets not already excluded from the Purchased Assets (including, for greater certainty, any Contract) in which case such asset shall form part of the Excluded Assets from such date. Any exclusion of assets shall be made without any adjustment to the Purchase Price.

	<p>Purchased Assets, (x) all cash-collateralized letters of credit related to the Business or held in respect of the Purchased Assets, (xi) all Assumed Employee Plans and underlying contracts (xii) all employment Contracts related to the Assumed Employees located in the Province of Québec, (xiii) all personnel and employment records relating to the Assumed Employees, (xiv) Books and Records, (xv) the Transferred Permits, (xvi) all Equity Interests in 9440-7590 Québec Inc., (xvii) all Equity Interests in Atallah Investments USA Inc., (xviii) SSENSE's loyalty program, (xix) all rights, title and interests of the Vendors in and under refundable duties with respect to sales of merchandise to clients of the Business, and (xx) all rights, title and interests of the Vendors in any Contract with Dematic Limited and the associated Claim.</p>
Excluded Assets	<p>All of the Vendors' right, title and interest, in and those assets set forth in Schedule B of the Purchase Agreement, including (i) all Cash and Cash Equivalents, (ii) all Intercompany Accounts Receivable; (iii) except for the Books and records, all original Tax records and books and records pertaining thereto, minute books, share ledgers, organizational documents, corporate seals, taxpayer and other identification numbers and other documents, (iv) all Equity Interests in any Person other than if a Purchased Asset, (v) all instruments evidencing claims, liabilities, obligations and Claims of the Vendors, (vi) all of the Vendors' rights under the Purchase Agreement and all other agreements and instruments delivered or to be delivered by the Vendors in accordance to the Purchase Agreement; any confidentiality, non-disclosure or similar agreements entered into in connection with the CCAA Proceedings or the SISF (including the NDA); the Excluded Contracts; and the transactions contemplated thereby, (vii) all rights of the Vendor and the directors and officers of the Vendors under any director and officer insurance policies including any proceeds received or receivable by such Persons thereunder, (viii) Extra-provincial, sales, excise or other Governmental Authorizations (other than the Transferred Permits), licenses or registrations issued to or held by any of the Vendors, (ix) save exception, all rights and interest of the Vendors under the insurance contracts, insurance policies and insurance plans of the Vendors, any insurance proceeds net of any deductibles and retention recovered by the Vendors under all other insurance contracts, insurance policies and insurance</p>

	plans; and the full benefit of the Vendors' rights to insurance claims, except as set forth under the Purchase Agreement, (x) all Contracts and Liabilities related to Excluded Employees, and (xi) all Excluded Employee Plans and all related contract and any right and assets thereunder.
Purchase Price	The Purchase Price shall be comprised of an amount equal to (i) the Cash Purchase Price and (ii) the Assumed Liabilities to be assumed by the Purchaser (which include all Cure Costs payable in respect of Assigned Contracts).
Assigned Contracts	All contracts and other executory agreements to which a Vendor is a party constituting part of the Purchased Assets listed in Appendix I to Schedule A shall be assigned to the Purchaser. ⁷
Assumed Employees	<p>Assumed Employees shall be Employees that the Purchaser has determined, in its sole discretion, that it wishes to continue to employ as of the Closing Time and whose employment is transferred to the Purchaser by operation of law or pursuant to an offer of continued employment made to and accepted by such Employees by one day before the Closing.</p> <p>The Purchaser has advised the SISP Team that it expects to provide employment for more than 660 regular employees, and at least 100 occasional on-call employees, for a total of more than 760 employees.</p>
Assumed Obligations	The Purchaser shall assume and perform, discharge and pay when due the Assumed Obligations, being: (a) all Liabilities under the Assigned Contracts and the Real Property Leases, to the extent assigned or transferred to the Purchaser on or after Closing, for the period from and

⁷ Pursuant to the Purchase Agreement, the Purchaser may, before and after the Closing until the "**Post-Closing Designation Deadline**" (i.e. 30 days from the Closing Date), on written notice to the Vendors and the Monitor, elect to specifically include any Contract not already included in the Purchased Assets and the Assigned Contracts, in which case such Contract shall form part of the Purchased Assets and the Assigned Contracts from such date. Any inclusion of contracts shall be made without any adjustment to the Purchase Price. The Purchaser may deliver a list of Retained Contracts in writing to the Vendors and the Monitor before the Closing Time that it will require the applicable Vendors to retain all right, title and interest in and to and not disclaim or terminate between the Closing Time and the Post-Closing Designation Deadline. However, the Purchaser shall bear the costs of the Contracts listed in the Retained Contracts List during the Post-Closing Designation Period, including any related obligations or expenses, until the earlier of (i) the Purchaser's election not to retain the contract or (ii) the Post-Closing Designation Deadline, pursuant to a Transition Services Agreement to be entered into between the Vendors and the Purchaser prior to the Closing in a form satisfactory to the Vendors and the Purchaser, each acting reasonably.

	<p>after the Closing Time; (b) the Liabilities of the Vendors to pay Cure Costs in respect of any Assigned Contract and Real Property Lease, to the extent assigned or transferred to the Purchaser on or after Closing; (c) all Contracts and Liabilities under the Assumed Employee Plans; (d) all Liabilities with respect to Assumed Employees, along with any unpaid vacations owed to such Assumed Employees, except for any Liability or Claim by or relating to any Assumed Employee pertaining to (i) the Excluded Employee Plans and any right thereunder arising at any time prior to or after the Closing Date, or (ii) any constructive dismissal Claim or other Claim whatsoever in relation to the Excluded Employee Plans or any right thereunder arising at any time prior to or after the Closing Date, which, in each case, shall be treated as an Excluded Obligation; (e) all debts, liabilities and obligations arising from ownership and use of the Purchased Assets, to the extent assigned or transferred to the Purchaser on or after Closing, for the period from and after the Closing Time., provided, however, that if a Contract became an Assigned Contract during the Post-Closing Designation Period, this shall be without duplication as it relates to any amounts already paid by the Purchaser; (f) all debts, liabilities and obligations of SSENSE pursuant to the interim financing agreement between SSENSE and 9549-0348 Québec Inc. dated September 12, 2025 for an aggregate amount of \$25,000,000; and (g) all debts, liabilities and obligations arising from the returns of merchandise made by clients of the Business from and after the Closing Time in respect of sales made prior to the Closing Time.</p>
Closing Conditions	<p>The obligations of the Vendors and the Purchaser to complete the Transaction are subject to the following conditions being fulfilled or performed: (i) the Approval and Vesting Order and the Assignment Order (if applicable) shall have been obtained and shall not have been stayed, varied, or vacated; (ii) the Competition Act Approval and any other Required Merger Control Approvals that may be acquired shall have been obtained; (iii) no order shall have been issued by a Governmental Authority which restrains or prohibits the completion of the Transaction; (iv) no motion, action or proceedings shall be pending by or before a Governmental Authority to restrain or prohibit the completion of the Transaction contemplated by the Purchase Agreement; and (v) the Vendors shall have</p>

	performed in all material respects each of its obligations under the Purchase Agreement.
Closing Date	Closing shall be no later than (i) five (5) Business Days after the Closing Conditions have been satisfied or (ii) such other date agreed to by the Parties in writing; provided that the Closing Date shall be no later than the Outside Date of February 13, 2026, or such other time as the Parties may agree in writing, with the written consent of the Monitor.

B. The Grounds for the Approval of the Transaction and the Purchase Agreement

55. Ultimately, the Binding Offer submitted by the Purchaser constituted the only and best Phase 2 Qualified Bid received in the context of the SISP (and the Relunched SISP) and, as such, the Transaction contemplated by the Purchase Agreement represents the best outcome for the Debtors and their stakeholders in the circumstances.
56. The Binding Offer submitted by the Purchaser is not subject to any further due diligence and is not subject to any financing conditions.
57. The Transaction is the result of a robust solicitation processes conducted by the Monitor, in consultation with Deloitte.
58. The Transaction and the Purchase Agreement should be approved by the Court, notably for the following reasons:
 - a) the SISP and the Relunched SISP were reasonable and appropriate in the circumstances, particularly in a context where:
 - (i) the SISP and SISP Procedures were prepared by the SISP Team, in consultation with the Lending Syndicate and Deloitte, and all such parties were in agreement with the reasonableness of the SISP, the SISP Procedures and the timelines set out therein (including the revised SISP timelines);
 - (ii) the SISP and SISP Procedures were ultimately approved by the Court pursuant to the SISP Order; and
 - (iii) as for the Relunched SISP, it was prepared by the Monitor, in consultation with the Lending Syndicate and Deloitte, and all such parties were in agreement with the reasonableness of the Relunched SISP and the Relunched SISP's timelines.
 - b) in the context of the SISP and the Relunched SISP, the market has been thoroughly canvassed through fulsome, fair and transparent processes conducted after the commencement of the present CCAA Proceedings, with

the Transaction provided for in the Purchase Agreement representing, in the circumstances, the only and best transaction and outcome resulting from the SISP and Relaunch SISP, for the benefit of the Debtors' stakeholders as a whole;

- c) the Debtors understand that the Monitor's Report will state that, in the opinion of the Monitor, the Transaction will be more beneficial to the Debtors' creditors than a sale or disposition in a bankruptcy context;
- d) the Transaction is being proposed by the Purchaser, a company in which the Founders are shareholders along with First Avenue, an arm's length third-party. The Founders remain dedicated to the success of the business and already are aware of and have knowledge concerning the Debtors' operations, suppliers and clients, thereby allowing for a rapid transaction with minimal closing conditions;
- e) the Transaction is beneficial to the stakeholders of the Debtors in that it will, among other things, allow for a maximization of the realization value of the Debtors' assets for the benefit of the Debtors' creditors, while also providing for the continuation of the business of the Debtors' as a going concern and, in doing so, a significant portion of their employees (i.e. more than 760 employees) will be retained, its economic activities in Quebec will be maintained and further developed, and several hundreds of the Debtors' suppliers will benefit from the continuation of their business relationship with the SSENSE Group;
- f) the consideration to be received in connection with the Transaction is fair and reasonable, as established by the SISP and the Relaunch SISP, which are the best available indicators of the market value of the Debtors' business and assets;
- g) the completion of the Transaction is not conditional upon the Purchaser obtaining financing, and any further due diligence;
- h) the Debtors are parties to a significant number of contracts that will be retained and assigned under the Purchase Agreement, allowing for the continuation of the operations of the Debtors and the Purchaser has agreed to pay the Cure Costs of approximately \$22,338,278.00, necessary to assume the Assigned Contracts and the Real Property Lease; and
- i) the Lending Syndicate, which are Interim Lenders and the Debtors' principal senior secured creditors, was duly consulted throughout the SISP.

V. THE EXTENSION OF THE STAY PERIOD

59. The Debtors request an extension of the Stay Period until March 20, 2026.
60. It is respectfully submitted that the requested extension of the Stay Period is necessary to provide the Debtors with sufficient time and the requisite continued stability in order to, *inter alia*:
 - a) allow for the closing of the Transaction contemplated in the Purchase Agreement;
 - b) allow for the Monitor to proceed with the liquidation of the Excluded Assets;
 - c) allow for the Debtors to contest Dematic's appeal of the Homologation Judgment;
 - d) allow for the Monitor to apply to this Court for an order distributing the proceeds resulting from the Transaction, the Homologation Judgment (if applicable) and from the liquidation of the Excluded Assets, and, ideally at that time, deal with the RBC Application; and, finally
 - e) allow for the Monitor to apply to this Court for an order terminating these CCAA Proceedings and discharging the Monitor once all steps relating to these CCAA Proceedings will have been completed.
61. The Debtors have acted in good faith and with due diligence throughout these CCAA Proceedings.
62. The Debtors are of the view that the requested extension of the Stay Period will not negatively impact any of their creditors, as the Debtors will close the Transaction in the best interest of their creditors and other stakeholders.
63. Based on the revised cash-flow projections that will be attached to the Monitor's Report, it is expected that the Debtors will have sufficient liquidities to cover anticipated restructuring costs and expenses during the proposed extended Stay Period.
64. The Debtors are also informed that the Monitor is of the view that the requested extension of the Stay Period is necessary and reasonable in the circumstances. Accordingly, the extension sought to the Stay Period is appropriate under the present circumstances.

VI. EXECUTION NOTWITHSTANDING APPEAL

65. The Debtors are requesting that the Approval and Vesting Order sought be executory notwithstanding appeal, as any further delay in the implementation of the Transaction will, *inter alia*, create further uncertainty, fragilize the Debtors' relationship with its goods and service providers, erode the business and compromise the ability of the Purchaser (if the Transaction is approved) to source new inventory for upcoming seasons, all of which will contribute to the deterioration

of the value of the Debtors' business and assets, to the detriment of their creditors and other stakeholders.

VII. CONCLUSION

66. In light of the foregoing, the Debtors respectfully submit that the relief sought in the Application should be granted by this Court.
67. The Debtors understand that the Monitor supports the relief sought in the present Application, as will be more fully detailed in the Monitor's Report that will be filed in support of this Application.

FOR THESE REASONS, MAY IT PLEASE THIS HONOURABLE COURT TO:

GRANT the present Application;

ISSUE an order substantially in the form of the draft Approval and Vesting Order communicated in support of the Application as **Exhibit R-1**;

ISSUE and order substantially in the form of the draft Ordonnance d'annulation et de radiation communicated in support of the Application as **Exhibit R-2**;

THE WHOLE without costs, save and except in the event of contestation.

MONTREAL, January 10, 2026

Stikeman Elliott LLP

M^e Guy P. Martel

Direct : 514 397 3163

Email : gmartel@stikeman.com

M^e Danny Duy Vu

Direct : 514 397 6495

Email : ddvu@stikeman.com

M^e Anna Arapovic

Direct : 514 397 3121

Email : aarapovic@stikeman.com

M^e Darien Bahry

Direct : 514 397 2441

Email : dbahry@stikeman.com

M^e Melis Celikaksoy

Direct : 514 397 3279

Email : mcelikaksoy@stikeman.com

STIKEMAN ELLIOTT LLP

1155 René-Lévesque Blvd. West

41st Floor

Montréal (Québec) Canada H3B 3V2

Attorneys for the Debtors

SWORN STATEMENT

I, the undersigned, Martin Rosenthal, having my principal place of business at 900 Blvd. De Maisonneuve Ouest bureau 2300, Montreal, Quebec H3A 0A8, solemnly declare the following:

1. I am the Senior Vice-President at Ernst & Young Inc.
2. All the facts alleged in relation to the SISP, including in paragraphs 18 to 49, 51-52 and 55 to 57 of this *Application for the Issuance of an Approval and Vesting Order* are, to the best of my knowledge, true.

AND I HAVE SIGNED

Digitally signed by
Martin.Rosenthal
DN: cn=Martin.Rosenthal
Date: 2026.01.10 19:01:53 -
05'00'

Martin Rosenthal

**Solemnly declared before me at
Montreal, on the 10th day of January
2026**

J. Dyal



NOTICE OF PRESENTATION

TO: The Service List

TAKE NOTICE that the Application for the Issuance of an Approval and Vesting Order will be presented for adjudication before the Honourable Andres C. Garin judge of the Superior Court of Quebec, Commercial Division, on Friday, **January 15, 2026**, at time, and in a room of the Montreal Courthouse located at 1 Notre-Dame Street Est, Montréal, QC H2Y 1B6, to be announced to the Service List.

DO GOVERN YOURSELVES ACCORDINGLY.

MONTREAL, January 10, 2026



M^e Guy P. Martel

Direct : 514 397 3163

Email : gmartel@stikeman.com

M^e Danny Duy Vu

Direct : 514 397 6495

Email : ddvu@stikeman.com

M^e Anna Arapovic

Direct : 514 397 3121

Email : aarapovic@stikeman.com

M^e Darien Bahry

Direct : 514 397 2441

Email : dbahry@stikeman.com

M^e Melis Celikaksoy

Direct : 514 397 3279

Email : mcelikaksoy@stikeman.com

STIKEMAN ELLIOTT LLP

1155 René-Lévesque Blvd. West

41st Floor

Montréal (Québec) Canada H3B 3V2

Attorneys for the Debtors

SUPERIOR COURT
(Commercial Division)

No. 500-11-066133-253

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL

IN THE MATTER OF THE COMPANIES' CREDITOR ARRANGEMENT
ACT, R.S.C. 1985, C C-36 OF:

ATALLAH GROUP INC. ET ALS

Debtors

-and-

ERNST & YOUNG INC.

Monitor

-and-

9549-0348 QUÉBEC INC.

Impleaded Party (Purchaser)

-and-

THE REGISTRAR FOR THE REGISTER OF PERSONAL AND
MOVABLE REAL RIGHTS (QUÉBEC)

Impleaded Party

BS0350

O/File: 147912-1009

**APPLICATION FOR THE ISSUANCE OF AN APPROVAL AND
VESTING ORDER**
(Section 36 of the Companies' Creditors Arrangement Act, RSC
1985, c C-36)
**SWORN STATEMENT
NOTICE OF PRESENTATION**

ORIGINAL

M^o Guy P. Martel (514) 397-3163

gmartel@stikeman.com

M^o Danny Duy Vu (514) 397-6495

ddvu@stikeman.com

M^o Anna Arapovic (514) 397-3121

aarapovic@stikeman.com

M^o Darien Bahry (514) 397-2441

dbahry@stikeman.com

M^o Melis Celikaksoy (514) 397-3279

mcelikaksoy@stikeman.com

STIKEMAN ELLIOTT LLP
41st Floor
1155 René-Lévesque Blvd. West
Montréal, Canada H3B 3V2