



April 15, 2024

**Fourth Report of
KSV Restructuring Inc.
as CCAA Monitor of
Contract Pharmaceuticals Limited, CPL
Canada Holdco Limited, Contract
Pharmaceuticals Limited Canada,
Glasshouse Pharmaceuticals Limited
Canada, and Glasshouse
Pharmaceuticals LLC**

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Court File No.: CV-23-00711401-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CONTRACT PHARMACEUTICALS LIMITED,
CPL CANADA HOLDCO LIMITED, CONTRACT
PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE
PHARMACEUTICALS LIMITED CANADA, AND GLASSHOUSE
PHARMACEUTICALS LLC

FOURTH REPORT OF KSV RESTRUCTURING INC.

APRIL 15, 2024

1.0 Introduction

1. Pursuant to an order (the "Initial Order") issued by the Ontario Superior Court of Justice (Commercial List) (the "Court") on December 15, 2023 (the "Filing Date"), Contract Pharmaceuticals Limited ("CPL") and its wholly owned subsidiaries, CPL Canada Holdco Limited ("CPL HoldCo"), Contract Pharmaceuticals Limited Canada ("CPL Canada"), Glasshouse Pharmaceuticals Limited Canada ("Glasshouse Canada"), and Glasshouse Pharmaceuticals LLC ("Glasshouse America" and together with CPL, CPL Canada HoldCo, CPL Canada, and Glasshouse Canada, the "Applicants") were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), and KSV Restructuring Inc. was appointed monitor of the Applicants (in such capacity, the "Monitor").
2. Pursuant to the Initial Order, the Court, among other things:
 - a) granted a stay of proceedings (the "Stay of Proceedings") in favour of the Applicants to and including December 22, 2023 (the "Initial Stay Period");
 - b) granted the following charges on all of the Applicants' current and future assets, property and undertaking (collectively, the "Property"):
 - i. up to the maximum amount of \$375,000 (the "Administration Charge") to secure the fees and disbursements of the Applicants' legal counsel, Goodmans LLP ("Goodmans"), the Monitor, its independent legal counsel, Cassels Brock & Blackwell LLP ("Cassels") and the Applicants' financial advisor SSG Capital Advisors, LLC ("SSG" or the "Financial Advisor") (excluding any Transaction Fee (as defined below) payable to SSG);
 - ii. up to the maximum amount of \$1,801,000 (the "Directors' Charge") in favour of the directors and officers of the Applicants; and

- iii. up to the maximum amount of US\$1,500,000, plus interest, fees and expenses thereon (the “DIP Lender’s Charge”), in favour of Deerfield Private Design Fund IV, LP as agent for itself and Deerfield Private Design Fund III, LP, as lender (in such capacity, the “DIP Lender” or “Deerfield”), to secure debtor-in-possession (“DIP”) advances to the Applicants made following the granting of the Initial Order and prior to the comeback hearing pursuant to a DIP facility agreement dated December 14, 2023 (the “DIP Facility”), provided that the DIP Lender’s Charge was subordinate to the pre-filing security interests of Royal Bank of Canada (“RBC”) and Export Development Canada (“EDC”); and
 - c) authorized the Applicants to pay certain pre-filing obligations to essential suppliers, subject to first obtaining consent from the Monitor and the DIP Lender.
3. On December 22, 2023, the Court issued an Amended and Restated Initial Order (the “ARIO”), which, among other things:
 - a) extended the Stay of Proceedings from December 22, 2023 until and including March 22, 2024;
 - b) granted the Applicants authority to borrow up to US\$6,000,000, plus interest, fees and expenses, under the DIP Facility;
 - c) increased the quantum of each of the priority Charges against the Property, as set out below:
 - i. the Administration Charge was increased to \$600,000;
 - ii. the Directors’ Charge was increased to \$2,306,000; and
 - iii. the DIP Lender’s Charge was increased to the maximum amount of the DIP Obligations at the relevant time, which captures the Applicants’ increased ability to borrow under the DIP Facility of up to US\$6,000,000;
 - d) approved the retention of the Financial Advisor pursuant to an agreement dated December 12, 2023 between the Applicants and the Financial Advisor (the “Financial Advisor Agreement”) and granted a charge on the Property to secure the payment of the transaction fee payable under the Financial Advisor Agreement;
 - e) approved the Key Employee Retention Plan (the “KERP”) and granted a charge on the Property for the benefit of the KERP beneficiaries to secure the payments thereunder (the “KERP Charge”) in the maximum aggregate amount of \$998,311.
4. On December 22, 2023, the Court also issued an order, which, among other things, approved the sale and investment solicitation process (“SISP”) to be conducted by the Applicants, with the assistance of the Financial Advisor and under the oversight of the Monitor.

5. On March 21, 2024, the Court issued an order extending the Stay of Proceedings from March 22, 2024 until and including April 12, 2024. On April 12, 2024, the Court issued an order extending the Stay of Proceedings until and including May 3, 2024.

1.1 Purposes of this Report

1. The purposes of this report (the “Fourth Report”) are to:
 - a) summarize the results of the SISP;
 - b) report on the Applicants’ cash flow projections for the period April 14, 2024 to June 21, 2024 (the “Cash Flow Forecast”);
 - c) set out the Monitor’s basis for its support of an extension of the Stay of Proceedings from May 3, 2024 to, and including, June 17, 2024;
 - d) discuss the terms of the amendments to the DIP Facility and the extension of the DIP Facility maturity date to align with the outside date of the Transaction (as defined below);
 - e) summarize the Transaction, which is documented in, *inter alia*, a Share Purchase Agreement dated March 30, 2024 (the “Sale Agreement”) between AIP Elixir Buyer Inc., an affiliate of Aterian Investment Partners IV, LP (“Aterian” or the “Buyer”) and CPL;
 - f) discuss and provide the Monitor’s views and recommendations regarding:
 - i. the approval and reverse vesting order (the “RVO”) being sought by the Applicants, which, *inter alia*, provides the following relief:
 - authorizing the Sale Agreement and the Transaction;
 - approving the transfer to ResidualCo (as defined below) of all right, title, and interest of the Company (as defined below) in and to the Excluded Assets, Excluded Contracts, and Excluded Liabilities (all as defined in the Sale Agreement);
 - declaring that CPL Holdco, CPL Canada, and Glasshouse Canada shall cease to be Applicants in these CCAA proceedings upon closing of the Transaction;
 - authorizing all “Expunged Claims” to be irrevocably expunged, released and discharged as against the Company and the Retained Assets; and
 - approving the transfer of all of CPL’s right, title and interest in and to the CPL Shares (as defined in the Sale Agreement) to the Buyer, free and clear of all claims and encumbrances, other than permitted encumbrances;

- ii. an order (the “Ancillary Relief Order”) being sought by the Applicants, which, *inter alia*, provides the following relief:
- extending the Stay of Proceedings from May 3, 2024 to and including June 17, 2024;
 - deeming ResidualCo to be the former employer of any former employees of the Applicants who were terminated between June 15, 2023 and closing of the Transaction, solely for the purposes of the Wage Earner Protection Program Act (S.C. 2005, c. 47, s.1);
 - granting the Monitor enhanced powers to exercise any powers which may be properly exercised by the board of directors of each of CPL, Glasshouse America and 1000834899 Ontario Inc. (“ResidualCo, and collectively with CPL and Glasshouse America, the “Remaining Applicants”);
 - authorizing the Monitor to make distributions to RBC, EDC and Deerfield, as set out in the proposed Ancillary Relief Order; and
 - approving the Monitor’s activities prior to, or on the date of, the first report of the Monitor dated December 20, 2023, the second report of the Monitor dated March 19, 2024, the third report of the Monitor dated April 9, 2024 (the “Third Report”), and this Fourth Report;
- iii. an order (the “Terminated Employee Fund Order”) being sought by the Applicants, which, *inter alia*, provides the following relief:
- approving the Terminated Employee Fund Escrow Agreement and declaring that only the Terminated Employees are eligible to receive a Hardship Benefit (all as defined below);
 - authorizing the Monitor to execute the Terminated Employee Fund Escrow Agreement on the Closing Date and to take all steps necessary to carry out its functions contemplated by the Terminated Employee Fund Escrow Agreement;
 - declaring that the Buyer and the Monitor shall not be deemed to be an employer or a common, related or successor employer of any Terminated Employees as a result of funding or administering the Terminated Employee Fund Amount; and
 - declaring that the Applicants, the Buyer and the Monitor are released and discharged from all expunged liabilities of the Terminated Employees existing up to the closing of the Transaction.

1.2 Restrictions

1. In preparing this Fourth Report, the Monitor has relied upon the Applicants' unaudited financial information, books and records, information available in the public domain and discussions with the Applicants' management, legal counsel and the Financial Advisor.
2. The Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this Fourth Report in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own diligence.
3. An examination of the Cash Flow Forecast as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future-oriented financial information relied upon in this Fourth Report is based upon the Applicants' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.

1.3 Currency

1. Unless otherwise noted, all currency references in this Fourth Report are in Canadian dollars.

2.0 Background

1. The Applicants specialize in the development, manufacturing, packaging, filing, and testing of non-sterile liquids, semi-solid pharmaceuticals, and regulated over-the-counter-products. Non-sterile liquids include products such as prescription and non-prescription grade suspensions, solutions, and nasal sprays. Semi-solid pharmaceuticals include prescription and non-prescription grade lotions, creams, ointments, and gels. In total, the Applicants manufacture over a hundred different products for many top global pharmaceutical companies and specialty dermatology companies.
2. The Affidavit of Jan Sahai, CEO of the Applicants, sworn December 14, 2023 in support of the CCAA application (the "Sahai Affidavit"), and the pre-filing report to the Court of the Proposed Monitor dated December 14, 2023 (the "Pre-Filing Report") both provide background information with respect to the Applicants' business and operations, including the reasons for the commencement of these CCAA proceedings. Accordingly, that information is not repeated in this Fourth Report.
3. Court materials filed in these proceedings, including the First Sahai Affidavit, the Pre-Filing Report and the Monitor's reports, are available on the Monitor's website at the following link: www.ksvadvisory.com/experience/case/cpl (the "Case Website").

3.0 SISP¹

3.1 Marketing

1. The Applicants, with the assistance of the Financial Advisor and under the supervision of the Monitor, have carried out the SISP in accordance with the SISP Approval Order. A summary of the SISP is as follows:
 - a) following the issuance of the SISP Approval Order, the Applicants and SSG launched the SISP on December 19, 2023 by distributing an interest solicitation letter detailing the acquisition opportunity (the “Teaser”) to potential purchasers and investors;
 - b) the Teaser was sent to four hundred and forty-five potentially interested parties. Interested parties were comprised of Canadian and US operators, financial groups and other strategic parties, including certain parties that contacted the Monitor directly following the commencement of these CCAA proceedings. In compiling the list of potentially interested parties, SSG sought input from the Applicants, the Applicants’ counsel, Deerfield’s financial advisor and the Monitor. SSG sent a follow up email to all parties on January 3, 2024;
 - c) attached to the Teaser was a form of non-disclosure agreement (“NDA”) and the SISP Approval Order. Parties that executed the NDA were provided the opportunity to access an online data room managed by SSG;
 - d) interested parties that executed an NDA were provided with a confidential information memorandum and access to a confidential virtual data site (the “Data Site”);
 - e) the Data Site contained certain historical and projected financial information and certain other relevant diligence information, including operational metrics, personnel information and material contracts and agreements. An electronic copy of a template form of asset purchase agreement was also made available in the Data Site;
 - f) Qualified Bids were to be accompanied by payment of a deposit in the amount of 10% of the proposed purchase price, payable by wire transfer to the Monitor, in trust; and
 - g) pursuant to the SISP, the deadline for interested parties to submit an LOI was 5:00 p.m. (Eastern Time) on February 8, 2024 and the deadline to submit a Qualified Bid was 5:00 p.m. (Eastern Time) on February 29, 2024 (the “Qualified Bid Deadline”).

¹ Capitalized terms used but not defined in this section have the meaning provided to them in the SISP.

3.2 SISP Results

1. A summary of the results of the SISP is as follows:
 - a) 86 parties executed the NDA and were provided access to the Data Site;
 - b) various parties conducted extensive due diligence;
 - c) 11 parties submitted an LOI; and
 - d) several parties, including Aterian, made submissions on or before the Qualified Bid Deadline.
2. The SISP was conducted in accordance with the pre-established timelines, except for the deadline for submission of Qualified Bids, which was extended until 2:00 p.m. (Toronto time) on March 7, 2024, upon the request of multiple bidders, and the deadline for selecting a Successful Bid, which was extended until 11:59 p.m. (Toronto time) on March 29, 2024. Both of these milestones were extended in consultation with the Monitor and with the consent of the DIP Lender to the extent required.
3. On March 29, 2024, following a period of negotiation, the Applicants, in consultation with the Monitor and DIP Lender, determined the Aterian Bid was the Successful Bid under the SISP and the parties entered into the Sale Agreement on March 30, 2024.

4.0 Aterian Transaction²

1. The following section provides an overview of the transaction with Aterian and the Sale Agreement. As this is an overview, interested parties are strongly encouraged to read the Sale Agreement in its entirety. A copy of the Sale Agreement is attached hereto as Appendix "A".
2. The transaction contemplated in the Sale Agreement (the "Transaction") has been structured as a "reverse vesting" transaction, which provides, among other things, the following:
 - a) all of the issued and outstanding shares in the capital of CPL Holdco owned by CPL will be sold, assigned and transferred to the Buyer, with such shares representing 100% of the equity interests in CPL Holdco;
 - b) all Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred and "vested out" to ResidualCo.

² Capitalized terms used but not defined in this section have the meaning provided to them in the RVO or Sale Agreement.

3. The key terms and conditions of the Sale Agreement are provided below:

- **Seller:** CPL
- **Buyer:** AIP Elixir Buyer Inc., an affiliate of Aterian
- **Share Purchase Price and Closing Consideration:**
 - a) the aggregate purchase price for the CPL Shares shall be \$1.00;
 - b) on Closing (defined below), except for certain amounts deferred and subject to an earn-out arrangement pursuant to the Amendment (defined below), the Buyer shall pay to the Monitor an amount equal to the aggregate amount of all Claims owing under the DIP Facility, the RBC Facility, the EDC Facility and the Deerfield Facility (together with the RBC Facility and EDC Facility, defined below) payable in each facility's respective currency. This amount is estimated to be approximately \$57.5 million, less deferred compensation of US\$8,000,000 (representing the amount which will be subject to an earn-out arrangement with Deerfield) (the "Closing Consideration");³
 - c) in addition to the Closing Consideration, on Closing, the Buyer shall pay the Monitor, in trust, the amount of \$750,000, representing the Administrative Expense Reserve; and
 - d) subject to the issuance of the Terminated Employee Fund Order, the Buyer shall pay to the Monitor the amount of \$500,000, being the Terminated Employee Fund (defined below);
- **Retained Assets:** consist of all assets owned by CPL HoldCo, CPL Canada and Glasshouse Canada (together, the "Company") on the date of the Sale Agreement and any assets acquired by them up to and including Closing, including their respective:
 - a) contracts;
 - b) permits and licenses; and
 - c) books and records,

except for any products or inventory sold in the ordinary course of business during the Interim Period and the Excluded Assets, the Excluded Contracts and any Contracts disclaimed by the Company with the consent of the Buyer;

³ A deposit of \$7,598,723.09 was funded by the Buyer pursuant to the SPA and is held by the Monitor.

- **Excluded Assets**: include:
 - a) all rights, covenants, obligations and benefits in favour of ResidualCo under the Sale Agreement that survive Closing;
 - b) all amounts owing by the Seller or Glasshouse Pharmaceuticals LLC to the Company (to the extent such amounts are not settled under a Pre-Closing Reorganization or Closing Sequence); and
 - c) assets specifically and expressly designated by the Buyer as excluded in Schedule “C” of the Sale Agreement;

- **Assumed Liabilities**: include, among other things:
 - a) liabilities specifically and expressly designated by the Buyer as assumed liabilities in Schedule “A” of the Sale Agreement, an amended list of which may be delivered by the Buyer from time to time no later than two (2) Business Days before the Closing Date (provided that the amendments may only include additional Liabilities and may not remove any Liabilities that were listed as of the date hereof without the Seller’s written consent and the consent of the Monitor);
 - b) liabilities which relate to the business under any Retained Contracts, Permits and Licenses or Permitted Encumbrances solely to the extent arising out of events or circumstances that first occur after Closing
 - c) Liabilities in respect of the Continuing Employees except as set forth in the definition of Excluded Liabilities;
 - d) Pre-Filing Stayed Unsecured Obligations, including Cure Costs, to a maximum aggregate amount of CA\$10,829,236 (which amount, if fully assumed, would repay substantially all pre-filing stayed trade obligations of the Company), in such amounts as may be agreed to between the Buyer and the third party to which such Pre-Filing Stayed Unsecured Obligations are payable; provided that, in the absence of such agreement, the Buyer may, subject to certain conditions, exclude up to a specified amount of Claims from being Pre-Filing Stayed Unsecured Obligations by notice to the Seller and the Monitor no later than two (2) Business Days prior to the Closing Date; and
 - e) Post-Filing Trade Amounts;

- **Excluded Liabilities**: among other things, include all Claims and Encumbrances (other than Permitted Encumbrances) of or against the Company relating to any Excluded Assets and Excluded Contracts as of Closing, other than Assumed Liabilities, including:
 - a) the non-exhaustive list of Liabilities detailed in Schedule “E” of the Sale Agreement;
 - b) all pre-filing Claims (other than Pre-Filing Stayed Unsecured Claims);

- c) all amounts owing by the Company to the Seller and Glasshouse Pharmaceuticals LLC (to the extent such amounts are not settled under a Pre-Closing Reorganization or Closing Sequence);
 - d) any and all Claims relating to any change of control provision that may arise in connection with the change of control contemplated by the Transaction and to which the Company may be bound as at Closing; and
 - e) any Liabilities for employees whose employment with the Company or its affiliates is terminated on or before Closing;
- **Transfers to ResidualCo:** on the Closing Date, the Company shall transfer to ResidualCo:
 - a) the Excluded Assets;
 - b) the Excluded Contracts; and
 - c) the Excluded Liabilities;
 - **Representations and Warranties:** Consistent with the terms of a standard insolvency transaction (i.e., on an “as is, where is” basis, with limited representations and warranties);
 - **Material Conditions:** include, among other things:
 - a) at or before Closing, the RVO shall have been issued and entered by the Court;
 - b) at or before Closing, the Terminated Employee Order shall have been issued and entered by the Court;
 - c) the Buyer shall be satisfied with the outcome of discussions coordinated with certain customers;
 - d) an order has been obtained in respect of proceedings to recognize the CCAA proceedings and enforce the RVO in the United States pursuant to Chapter 15 of Title 11 of the United States Code;
 - e) the Monitor, on behalf of the Seller, shall have received the entirety of the Closing Consideration and the Administrative Expense Reserve;
 - f) the Terminated Employee Escrow Fund Agreement shall have been entered into by the Monitor and the Buyer and the Terminated Employee Fund has been paid to the Monitor; and
 - g) key regulatory licenses held by CPL Canada with various health agencies (the “Regulatory Licenses”) will remain in good standing and no material health incident shall have occurred;

- **Outside Date:** June 7, 2024 pursuant to the Amendment. If certain conditions are waived, the Buyer may extend the Outside Date by up to 21 days by providing written notice to the Seller and Monitor; and
- **Closing:** the date that is no later than the earlier of the second business day after the last of the conditions set forth in Article 5 of the Sale Agreement have been satisfied and by the Outside Date if the conditions set forth in Article 5 of the Sale Agreement have been satisfied or, where not prohibited, waived by applicable party whose favour the condition is, unless another time or date is agreed to in writing by the parties, or such other date as the parties and the Monitor may agree;

4.1 Sale Agreement Amendment

1. As set out in Section 1, Paragraph 5 of the Monitor's Third Report, and as reported above, a material condition of the Sale Agreement was that the Buyer must be satisfied with the outcome of the customer discussions coordinated by the Company prior to April 9, 2024 (the "Customer Condition"). The Applicants, the Monitor, the Buyer and the DIP Lender have engaged in ongoing discussion with respect to the waiver of the Customer Condition. On April 9, 2024, an agreement in principle was reached among the parties pursuant to which the Buyer would agree to waive the Customer Condition and a portion of the amounts owing by the Applicants under the Deerfield Facility (defined below) would convert to a deferred earn-out arrangement under a separate agreement. To facilitate the documentation of the earn-out arrangement and the waiver of the Customer Condition, the Applicants sought and obtained on April 10, 2024, an order from this Court extending the Stay of Proceedings to and including May 3, 2024.
2. On April 12, 2024, CPL and the buyer executed the first amendment agreement to the Sale Agreement (the "Amendment"), a copy of which is attached as Exhibit "A" to the Applicants' supplemental sale approval affidavit, sworn April 12, 2024 (the "Supplemental Sale Approval Affidavit").
3. Pursuant to the Amendment:
 - a) the Buyer unconditionally and irrevocably waived the Customer Condition and agreed that certain developments will not constitute a Material Adverse Effect (as defined in the Sale Agreement) and that the Buyer shall have no right to terminate the Sale Agreement or claim a failure of any condition to the closing of the Transaction as a result of such development;
 - b) the Closing Consideration owing to Deerfield under the Deerfield Facility has been reduced by US\$8,000,000, which amount will instead be payable to Deerfield following closing, subject to the terms of the earn-out arrangement entered into amongst the Buyer, CPL Canada and Deerfield;
 - c) the outside date was extended to June 7, 2024 to accommodate a slightly delayed anticipated closing; and
 - d) an updated DIP budget has been agreed to for purposes of the Sale Agreement.

4. Aside from the changes described above and in the Amendment, no material changes have been made to the Sale Agreement and there has been no change to the consideration payable or benefits that will be derived from the Transaction.

4.2 Transaction Recommendation

5. The Monitor recommends that the Court issue the RVO for the following reasons:
 - a) in the Monitor's view, the SISP was commercially reasonable and conducted in accordance with the SISP Order, including the timelines set forth therein, which allowed the opportunity for the market to be broadly canvassed and provided an opportunity for parties to perform due diligence;
 - b) the purchase price under the Transaction represents the greatest recovery available in the circumstances. It is also structured as a share deal that provides for the retention by the Company of certain of its liabilities, other than the Excluded Liabilities, which further enhances the value of the Transaction;
 - c) the Transaction provides a going-concern solution for the Company. It contemplates the continuation of the Company's operations and preserves employment for a majority of the CPL Canada's employees on terms and conditions that are substantially similar to their existing terms;
 - d) the Transaction is a positive outcome for the Applicants and their stakeholders as it provides for a payment in full of the Applicants' secured debt and an assumption of a significant amount of their pre-filing trade payables, including cure costs; and
 - e) absent the Transaction, the DIP Lender is not prepared to continue to fund the Applicants.

4.3 Reverse Vesting Order Considerations

1. The Monitor believes it is necessary and appropriate for the Transaction to be completed pursuant to an RVO. In forming its view, the Monitor considered the issues raised by this Court in the *Harte Gold* case, which are set out below.
 - a) *Why is an RVO necessary in this case?*

Preserving the Regulatory Licenses is the principal factor driving the Buyer's requirement that the Transaction be completed through an RVO. An RVO provides the opportunity for the Regulatory Licenses to be preserved without the additional cost, delay, complexity and uncertainty involved in the Buyer having to obtain newly issued drug establishment licenses and controlled drugs and substances licenses to allow it to operate the Company's business. The Monitor understands that this would not be feasible in the circumstances, given the timeline to obtain licenses from the various regulators that regulate the Company's business and the availability of funding beyond the Closing Date to the date that such licenses could otherwise be obtained. The Monitor

understands that the Buyer is not prepared to acquire the business under an alternative structure.

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

The RVO allows for the timely conveyance of the Company's business to the Buyer. Without an RVO, there would, at a minimum, be a substantial delay (and corresponding cost) in transferring the Company's assets to a buyer, which in any event may not be a viable path. The issuance of an RVO is a material condition of the Sale Agreement and is integral to completing the Transaction. Accordingly, there does not appear to be any viable alternative to an RVO. The Monitor is also mindful that a comprehensive sale process has been conducted during these CCAA proceedings and that there is no funding available to conduct a further process.

The Monitor is strongly of the view that further time marketing the business for sale will not result in a superior transaction and would be prejudicial to the stakeholders of the Applicants, including but not limited to the DIP Lender, the Applicants' other secured creditors, CPL Canada's employees and other stakeholders.

- c) *Is any stakeholder worse off under an RVO structure than they would have been under any other viable alternative?*

In the Monitor's view, no stakeholders are prejudiced by the issuance of an RVO relative to their treatment and outcome under any other viable alternative. In particular, the claims and other liabilities being transferred to the ResidualCo are unsecured and/or would receive no distribution under any transaction structure. In addition, there has been broad notice of these proceedings since December 2023, and the Applicants have provided broad notice of this motion to their creditors and other stakeholders. As at the writing of this Report, the Monitor is not aware of any opposition to the RVO structure.

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

For the reasons noted in (a) above, in the Monitor's view, preserving the Regulatory Licenses under the RVO structure is the critical consideration in structuring the Transaction as a reverse vesting transaction. These assets were extensively marketed for sale in the SISP. The consideration being paid by the Buyer is directly attributable to the importance and value of the Regulatory Licenses and provides the best available outcome for many of the Applicants' key stakeholders, including the DIP Lender and other secured creditors, and the Applicants' employees, suppliers, and customers.

2. Based on the foregoing, the Monitor recommends that this Court approve the Transaction and grant the RVO sought by the Applicants.

4.4 Releases

1. The RVO provides for:
 - a) the current and former directors, officers, shareholders, employees, legal counsel and advisors of each of the Applicants (including the Company and ResidualCo);
 - b) the Monitor and its legal counsel and their respective current and former directors, officers, partners, employees, consultants and advisors;
 - c) the Buyer and its present and former officers, directors, employees, legal counsel and advisors; and
 - d) Deerfield and its present and former directors, officers, employees, legal counsel, and advisors (the persons listed in (a), (b), (c) and (d) being collectively the “Released Parties”),

to be released from the Released Claims (as such term is defined in the RVO).
2. The proposed release does not release:
 - a) any claim against the current or former directors of the Applicants that is not permitted to be released pursuant to section 5.1(2) of the CCAA; or
 - b) any claim with respect to any act or omission that is finally determined by a court of competent jurisdiction to have constituted actual fraud or wilful misconduct on the part of any of the Released Parties.
3. The releases are a condition to the implementation of the Sale Agreement and are consistent with releases granted in recent reverse vesting transactions approved in other CCAA proceedings. On this basis, the Monitor is supportive of the proposed releases.

5.0 Terminated Employee Fund Escrow Agreement

1. While substantially all of the Applicants’ personnel will be retained, the Transaction may result in the termination of certain employees (as defined and determined under the Sale Agreement, the “Terminated Employees”). The Sale Agreement provides for the establishment and funding of a fund (the “Terminated Employee Fund”) in the amount of \$500,000 (or such greater amount as the Buyer may determine in its sole discretion) to provide financial assistance to the Terminated Employees.
2. The Terminated Employee Fund will be established by the Buyer upon the Closing Date to provide financial assistance to Terminated Employees whereby each Terminated Employee will be paid a one-time gratuitous payment (the “Hardship Benefit”), net of any applicable withholdings, taxes and deductions and conditional upon the Terminated Employee completing and signing an application form and a release of claims against the Applicants, the Monitor and the Buyer.

3. If approved by the Court, the Terminated Employee Fund Escrow Agreement and the proposed Terminated Employee Fund Order will govern the mechanism through which the Monitor, acting as escrow agent, shall oversee the application process and distribution of the Hardship Benefit to the Terminated Employees. In summary:
 - a) the Hardship Benefit is conditioned on the Terminated Employee completing and signing an application form and release of claims in favour of, among others, the Applicants, the Monitor and the Buyer, on or before the “Hardship Benefit Application Deadline” (being 5:00 p.m. (Toronto time) on the date that is 40 days after the Closing Date);
 - b) the Hardship Benefit is payable to each Terminated Employee in the amount equal to the minimum statutory termination and severance pay (if applicable) under Ontario’s Employment Standards Act 2000, S.O. 2000, c. 41, subject to a potential pro-rata reduction as described below;
 - c) the Hardship Benefit will be determined by the Monitor on information provided by the Applicants, and such determination shall be final, binding and non-appealable;
 - d) the Hardship Benefit is subject to a pro-rata reduction if the total Hardship Benefit payable to all Terminated Employees exceeds the amount of the Terminated Employee Fund; and
 - e) following the Hardship Benefit Determination Date, being the later of: (a) sixty (60) days after the Closing Date; and (b) the date that is fifteen (15) days following the Monitor obtaining clearance from Employment and Social Development Canada (“ESDC”) to make all Hardship Benefit payments, the Monitor shall make the applicable Hardship Benefit payments to the eligible Terminated Employees (subject to any pro rata reduction noted above and net of any applicable withholdings, taxes and deductions) and any residual balance remaining in the Terminated Employee Fund shall be returned as soon as reasonably practicable by the Monitor to the Buyer, or as the Buyer may direct. If clearance from ESDC is not obtained within one hundred and twenty (120) days following the Closing Date (or such later date agreed to in writing by the Buyer and the Monitor, each in its sole discretion), then the entire Terminated Employee Fund shall be immediately repaid to the Buyer and no Terminated Employee shall be entitled to any Hardship Benefit payable thereunder.
4. A copy of the Terminated Employee Fund Escrow Agreement is attached hereto as Appendix “B”.
5. The Monitor is supportive of the Terminated Employee Fund Order and the Terminated Employee Fund Escrow Agreement as:
 - a) the Hardship Benefit ensures the Terminated Employees receive some financial assistance, on a gratuitous and without prejudice basis, in a circumstance where there is otherwise no value available for distribution on account of any claims they may hold in relation to the termination of their employment; and

- b) the distribution of Hardship Benefits contemplated under the Terminated Employee Fund Escrow Agreement will be administered by the Monitor, acting as escrow agent.

6.0 DIP Extension

1. A detailed description of the DIP Facility is set out in the Monitor's Pre-Filing Report. Accordingly, details of the DIP Facility are not repeated herein.
2. The DIP Facility's maturity date was originally outlined as the earlier of (the "Maturity Date"):
 - a) April 30, 2024;
 - b) the occurrence of a default of the term sheet which has not been waived in writing, and a demand for repayment has not been issued;
 - c) the date of a closing of a sale or a similar transaction for all or substantially all of the assets and business of CPL, including pursuant to the SISP, which transaction has been approved by the Court; and
 - d) the implementation of a plan of compromise or arrangement within the CCAA proceedings which has been approved by the requisite majorities of CPL's creditors and the Court.
3. The maturity date could be extended by request from CPL with the prior written consent of the DIP Lender provided that the Monitor's consent is also required for material amendments.
4. As the Closing Consideration for the Sale Agreement provides for a full repayment of the DIP Facility, an extension of the Maturity Date is necessary. Accordingly, the DIP Lender agreed to extend the Maturity Date of the DIP Facility to May 29, 2024 pursuant to Amendment No. 1 of the DIP Financing Term Sheet (the "DIP Amendment"). A copy of the DIP Amendment is attached hereto as Appendix "C".
5. Further to extending the Maturity Date, the DIP Amendment also formalized the previously approved extensions of the SISP milestones.
6. The Monitor is supportive of the DIP Amendment as: (i) it is necessary for the extension of the DIP Facility Maturity Date given the Sale Agreement contemplates a full repayment of same; (ii) the Outside Date of the Sale Agreement is beyond April 30, 2024; (iii) the Applicants will require access to the DIP Facility for the remainder of the period prior to the Outside Date, as evidenced by the Cash Flow Forecast; and (iv) the DIP Lender did not seek to charge any fees in relation to the extension.

7.0 Proposed Distributions

1. As detailed further in the Pre-Filing Report, the Applicants have outstanding obligations owing to several secured creditors, a summary of which is provided below:
 - a) *RBC Facility* - CPL Canada is the borrower under a credit agreement with RBC dated November 22, 2017 (the “RBC Loan Agreement”). The RBC Loan Agreement includes a revolving operating facility, due on demand;
 - b) *EDC Facility* - CPL Canada is the borrower under a credit agreement with EDC, executed on March 6, 2018. Under this agreement, EDC extended a term loan facility to CPL Canada, allowing for a maximum borrowing limit of US\$15 million; and
 - c) *Deerfield Facility* - Glasshouse Canada is the borrower under a credit agreement with Deerfield dated December 6, 2018 (the “Deerfield Facility”). The Deerfield Facility is guaranteed by each of the other Applicants. Among other security, each of CPL, CPL Canada HoldCo, CPL Canada, Glasshouse America and Glasshouse Canada have granted Deerfield a security interest in substantially all of their assets pursuant to two general security agreements dated December 6, 2018.
2. As noted above, except for the amounts deferred under the earn-out arrangement pursuant to the Amendment, the Closing Consideration provides for repayment in full of the aggregate amounts owing under the DIP Facility, the RBC Facility, the EDC Facility and the Deerfield Facility (collectively, the “Facilities”).
3. Accordingly, the Applicants are seeking authorization for the Applicants and the Monitor to make certain distributions from the net proceeds resulting from the Transaction to: (i) RBC in respect of the full amount owing under the RBC Facility; (ii) EDC in respect of the full amount owing under the EDC Facility; and (iii) Deerfield in respect of the full amount owing under the DIP Facility and the Deerfield Facility.
4. Cassels has provided the Monitor with an opinion that, subject to the usual and customary assumptions and qualifications contained in such opinions, Deerfield, RBC and EDC have valid and enforceable security.
5. As of April 30, 2024, the Facilities will total approximately:

Est. Balances owed on the Facilities as at April 30, 2024	
Facility	Total Cash and Proceeds (\$CAD)
Deerfield Facility	34,448,712
DIP Facility	8,409,092
RBC Facility	7,525,000
EDC Facility	7,133,542
Total	\$57,516,345

6. Furthermore, upon closing of the Transaction, the Applicants intend to pay amounts owing in respect of the Transaction Fee and the KERP (which are secured by the Financial Advisor Charge and KERP Charge, respectively) with the remaining funds available under the DIP Facility.
7. As the Transaction and DIP Facility provide for sufficient funds to satisfy the Facilities, the Financial Advisor Charge and the KERP Charge, the Monitor is in support of the Applicants' proposed distribution scheme. Furthermore, as the proposed distributions contemplate the full payment of the Transaction Fee, the KERP and the DIP Facility, the Monitor is supportive of this Court releasing the Financial Advisor Charge, KERP Charge, and the DIP Lender's Charge upon such amounts being paid.

8.0 Monitor's Enhanced Powers

1. As a result of the closing of the Transaction, it is anticipated that the current directors and officers of the Remaining Applicants will resign. Accordingly, it is anticipated that the Remaining Applicants will be without a board of directors or officers.
2. Given the anticipated vacancies, in addition to the Monitor's powers and duties as set out in the ARIO or otherwise granted pursuant to a Court order in these CCAA proceedings, the Ancillary Relief Order contemplates enhancing the Monitor's powers (the "Enhanced Powers"), to enable the Monitor to exercise any powers which may be exercised by the board of directors of each of the Remaining Applicants, including, *inter alia*, to:
 - a) cause the Remaining Applicants to take any and all actions and steps, and execute all agreements, documents and writings, on behalf of, and in the name of, the Remaining Applicants in order to facilitate the performance of any of the Remaining Applicants' powers or obligations, including, without limitation, as contemplated by the Transaction (including post-closing matters) or any Order of this Court;
 - b) cause the Remaining Applicants to exercise any rights of the Remaining Applicants under or in connection with the Sale Agreement or any agreement or document related thereto;
 - c) cause the Remaining Applicants to retain the services of any person as an employee, consultant or other similar capacity, including, without limitation, a wind-down officer, all under the supervision and direction of the Monitor and on the terms as agreed with the Monitor;
 - d) cause the Remaining Applicants to perform such other functions or duties as the Monitor considers necessary or desirable in order to facilitate or assist the winding-down of the Remaining Applicants, the distribution of the proceeds of their property, or any other related activities;

- e) open one or more new accounts (the “Remaining Applicants Accounts”) into which all funds, monies, cheques, instruments and other forms of payment payable to the Remaining Applicants shall be deposited to and after the making of this Order from any source whatsoever and to operate and control as applicable, on behalf of the Remaining Applicants, the Remaining Applicants Accounts in such a manner as the Monitor, in its sole discretion, deems necessary or appropriate to assist with the exercise of the Monitor’s powers and duties;
- f) conduct, supervise and direct the continuation or commencement of any process or effort to recover any property or other assets of the Remaining Applicants (including any accounts receivable or cash);
- g) engage, deal, communicate, negotiate, agree and settle with any creditor or other stakeholder of the Remaining Applicants (including any governmental authority) in the name of or on behalf of the Remaining Applicants;
- h) claim or cause the Remaining Applicants to claim any and all insurance refunds or tax refunds to which the Remaining Applicants are entitled;
- i) have access to all books and records that are the property in the possession or control of the Remaining Applicants;
- j) facilitate or assist the Remaining Applicants with accounting, tax and financial reporting functions, including the preparation of cash flow forecasts, employee-related remittances, T4 statements and records of employment, in each case based solely upon the information provided to the Monitor and on the basis that the Monitor shall incur no liability or obligation to any person with respect to such reporting, remittances, statements and records;
- k) exercise any shareholder rights of the Remaining Applicants for the period after the Effective Time (as defined in the RVO);
- l) assign any of the Remaining Applicants, or cause any of the Remaining Applicants to be assigned, into bankruptcy, and KSV shall hereby be entitled but not obligated to act as a trustee of any of the Remaining Applicants in any such bankruptcy;
- m) cause the dissolution or winding-up of the Remaining Applicants;
- n) act as an authorized representative of the Remaining Applicants in respect of dealings with the Canada Revenue Agency (“CRA”) or any other taxation authority, and the Monitor shall hereby be entitled to execute any appointment or authorization form on behalf of the Remaining Applicants that the CRA or any other taxation authority may require in order to confirm the Monitor’s appointment as an authorized representative for such purposes;

- o) apply to this Court for advice and directions or any further orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court, including for advice and directions with respect to any matter; and
 - p) take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
- 3. In light of the director and officer resignations described above, the Monitor is of the view that the Enhanced Powers are necessary in order to, among other things, wind down these CCAA proceedings in a cost-efficient manner. Accordingly, the Monitor views the granting of the Enhanced Powers as reasonable and appropriate in the circumstances.

9.0 Cash flow

- 1. The Applicants, with the assistance of the Monitor, have prepared the Cash Flow Forecast for the period April 14, 2024 to June 21, 2024 (the “Forecast Period”). The Cash Flow Forecast has been prepared for all of the Applicants on a consolidated basis. The Cash Flow Forecast and management’s report on the Cash Flow Forecast are attached hereto as Appendix “D”.
- 2. The Cash Flow Forecast contemplates that the Applicants will continue operations in the normal course as they work toward closing the Transaction. Any potential distributions to the Facilities have been excluded from the Cash Flow Forecast pending the Ancillary Relief Order and distributions contemplated therein being granted by this Court. While the Cash Flow Forecast omits the distributions to the Facilities, the Cash Flow Forecast does forecast a payment of the KERP and Transaction Fee from the funding availability under the DIP Facility.
- 3. The Cash Flow Forecast reflects that the Applicants will have sufficient liquidity through the Forecast Period with the availability remaining under the DIP Facility. As of the date of this Report, the Applicants have remaining availability of USD\$2 million under the DIP Facility. As of the date of the Report, the Applicants had approximately \$4.5 million of cash on hand.
- 4. Based on the Monitor’s review of the Cash Flow Forecast, the cash flow assumptions appear reasonable. The Monitor’s statutory report on the Cash Flow Forecast is attached hereto as Appendix “E”.

10.0 Stay Extension

- 1. The Stay of Proceedings is currently set to expire on May 3, 2024. The Applicants are requesting an extension of the Stay of Proceedings until and including June 17, 2024 to allow time for the Applicants to finalize the Transaction.

2. The Monitor supports the request for an extension of the Stay of Proceedings and believes that it is appropriate in the circumstances for the following reasons:
 - a) in the Monitor's view, the Applicants have been acting, and continue to act in good faith and with due diligence, including in pursuing the SISP in accordance with its terms;
 - b) the proposed extension will allow the Applicants to close the Transaction;
 - c) the Monitor does not believe that any creditor will be materially prejudiced by the proposed extension of the Stay of Proceedings;
 - d) as of the date of this Fourth Report, the Monitor is not aware of any party opposed to an extension of the Stay of Proceedings; and
 - e) based on the Cash Flow Forecast, the Applicants are projected to have sufficient liquidity until June 17, 2024.

11.0 Chapter 15 Proceedings

1. Under the Initial Order, CPL was granted authorization to apply for foreign recognition and approval of the CCAA proceedings in the United States pursuant to Chapter 15 of Title 11 of the United States Code (the "Chapter 15 Proceedings"). CPL was granted authorization to act at the foreign representative for the purpose of the Chapter 15 Proceedings.
2. As part of the conditions under the Sale Agreement, an order must be obtained recognizing these CCAA proceedings and enforcing the RVO in the United States pursuant to Chapter 15 of Title 11 of the United States Code.
3. Accordingly, the Applicants intend to file a voluntary petition for recognition of these CCAA proceedings and the RVO following Court approval of the Transaction.

12.0 Monitor's Activities

1. Since the Pre-Filing Report, the Monitor has, among other things:
 - a) corresponded regularly with the Applicants' legal counsel, Financial Advisor and management team and its own legal counsel regarding all aspects of these CCAA proceedings, including developing the terms of the SISP;
 - b) monitored the Applicants' receipts and disbursements;
 - c) reviewed the Cash Flow Forecast and maintained a view on variances of the Applicants' performance against same;
 - d) reviewed and commented on the Applicants' materials filed in support of the relief to be sought for the RVO, Ancillary Relief Order and Terminated Employee Fund Order;

- e) overseen the Applicants' cash management processes and disbursements;
 - f) attended multiple calls with Goodmans and Cassels regarding ad-hoc issues with certain critical vendors;
 - g) corresponded with creditors, vendors, and sponsors regarding various matters on an as-needed basis;
 - h) generally assisted the Applicants and the Financial Advisor in conducting the SISP;
 - i) conducted a thorough review of submissions received in the SISP;
 - j) attended extensive deliberations with management to carefully assess the bid submissions;
 - k) responded to service list addition requests; and
 - l) drafted various reports of the Monitor, including this Fourth Report.
2. The Monitor is of the view that it has carried out its above activities in good faith and in accordance with the various Orders issued by this Honourable Court.

13.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make the order granting the relief sought by the Applicants.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS MONITOR OF
CONTRACT PHARMACEUTICALS LIMITED,
CPL CANADA HOLDCO LIMITED,
CONTRACT PHARMACEUTICALS LIMITED CANADA,
GLASSHOUSE PHARMACEUTICALS
LIMITED CANADA, AND GLASSHOUSE
PHARMACEUTICALS LLC
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

SHARE PURCHASE AGREEMENT

CONTRACT PHARMACEUTICALS LIMITED

as Seller

- and -

AIP ELIXIR BUYER INC.

as Buyer

MARCH 30, 2024

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SHARE PURCHASE AGREEMENT

THIS AGREEMENT is made as of March 30, 2024

AMONG:

CONTRACT PHARMACEUTICALS LIMITED, a corporation incorporated under the laws of the State of Delaware (“**Seller**”)

- and -

AIP ELIXIR BUYER INC., a corporation incorporated under the laws of the Province of Alberta (the “**Buyer**”)

RECITALS:

- A. Seller owns all of the issued and outstanding shares (the “**CPL Shares**”) in the capital of CPL Canada Holdco.
- B. CPL Canada develops, manufactures, packages, and tests pharmaceutical and regulated over-the-counter products, and also provides laboratory services that include materials, product release and stability testing as well as product development services (the “**Business**”).
- C. The Seller and its Affiliates (the “**CCAA Applicants**”) have commenced proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), and obtained an initial order (the “**Initial CCAA Order**”) from the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) on December 15, 2023, pursuant to which, *inter alia*, KSV Restructuring Inc. was appointed as the monitor of the CCAA Applicants (in such capacity, the “**Monitor**”), and an amended and restated initial order (the “**ARIO**”) was obtained from the Court on December 22, 2023.
- D. The CCAA Applicants obtained a SISP Approval Order from the Court dated December 22, 2023 (the “**SISP Approval Order**”), approving a refinancing, sale and investment solicitation process (the “**SISP**”) and, *inter alia*, authorizing and directing the CCAA Applicants, SSG Capital Advisors LLC, as Financial Advisor, and the Monitor to implement the SISP pursuant to the terms thereof.
- E. The Buyer participated in the SISP, with one of its Affiliates submitting a non-binding letter of intent by the LOI Deadline (as defined in the SISP), and Buyer submitting a Qualified Bid (as defined in the SISP) by the Qualified Bid Deadline (as defined in the SISP) to purchase the CPL Shares.
- F. The Buyer’s Qualified Bid (on the terms reflected in this Agreement) has been designated by the CCAA Applicants, in consultation with the Monitor and the DIP Lender, as the Successful Bid and the Parties are desirous of consummating the transaction contemplated herein on the terms and conditions set forth herein.

- G. Upon the issuance by the Court of the Approval and Vesting Order, and subject to the satisfaction or waiver of the other closing conditions set forth hereunder, Buyer shall acquire the CPL Shares, on the terms and subject to the conditions contained in this Agreement.

NOW THEREFORE in consideration of the mutual covenants and agreements contained in this Agreement (the receipt and sufficiency of good and valuable consideration being acknowledged), the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

In this Agreement,

- (a) “**Action**” means any claim, counterclaim, application, action, suit, cause of action, order, charge, indictment, prosecution, demand, complaint, grievance, lawsuit, arbitration, inquiry, audit, notice of violation, proceeding, litigation, citation, summons, subpoena or investigation of any nature, civil, criminal, administrative, regulatory or otherwise, whether at Law or in equity and by or before a Governmental Authority;
- (b) “**Administration Charge**” has the meaning given to it in the ARI0;
- (c) “**Administrative Expense Reserve**” means an amount equal to \$750,000 to be paid to the Monitor in accordance with the terms hereof and held in trust by the Monitor for the benefit of Persons entitled to be paid the Administrative Expense Costs;
- (d) “**Administrative Expense Costs**” means (i) the reasonable and documented fees and costs of the Monitor and its professional advisors and the professional advisors of the CCAA Applicants and ResidualCo in each case for services performed prior to and after the Closing Date, in each case, relating directly or indirectly to the CCAA Proceedings, the Chapter 15 Proceedings, the Terminated Employee Fund, this Agreement or the bankruptcy or other wind-down of the remaining CCAA Applicants, including costs required to wind down and/or dissolve and/or bankrupt ResidualCo, Seller and Glasshouse Pharmaceuticals LLC (including the fees and expenses of any wind-down officer that may be engaged to assist in connection with same) and costs and expenses required to administer the Excluded Assets, Excluded Contracts, Excluded Liabilities and ResidualCo, and; (ii) amounts owing in respect of obligations secured by the CCAA Charges that have not been paid prior to the Closing Date or otherwise paid under the Closing Sequence;
- (e) “**Affiliate**” of any Person means, at the time such determination is being made, any other Person controlling, controlled by or under common control with such first Person, in each case, whether directly or indirectly through one or more intermediaries, and “control” and any derivation thereof means the control by one Person of another Person in accordance with the following: a Person (“A”) controls

another Person (“**B**”) where A has the power to determine the management and policies of B by contract or status (for example, the status of A being the general partner of B) or by virtue of beneficial ownership of a majority of the voting interests in B; and for certainty and without limitation, if A owns shares to which are attached more than 50% of the votes permitted to be cast in the election of directors (or other Persons performing a similar role) of B, then A controls B for this purpose, provided that in respect of Buyer, Affiliates does not include any Portfolio Companies;

- (f) “**Agreement**” means this Share Purchase Agreement and all attached Schedules, in each case as the same may be supplemented, amended, restated or replaced from time to time in accordance with the terms hereof, and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions referred to in this Agreement and all attached Schedules and unless otherwise indicated, references to Articles, Sections and Schedules are to Articles, Sections and Schedules in this Agreement;
- (g) “**Applicable Law**” means any domestic or foreign statute, law (including the common law), ordinance, rule, regulation, restriction, by-law (zoning or otherwise), order, or any consent, exemption, approval or licence of any Governmental Authority, that applies in whole or in part to the Transaction, the Company, the Buyer, the Business or the CPL Shares;
- (h) “**Approval and Vesting Order**” means an approval and reverse vesting order of the Court substantially in the form attached hereto as Schedule I with such changes as the Seller and the Buyer may agree, each acting reasonably;
- (i) “**ARIO**” has the meaning given to such term in Recital C;
- (j) “**Assumed Liabilities**” means (a) Liabilities specifically and expressly designated by the Buyer as assumed Liabilities in Schedule “A” an amended list of which may be delivered by the Buyer to the Seller and the Monitor from time to time no later than two (2) Business Days before the Closing Date (provided that the amendments may only include additional Liabilities and may not remove any Liabilities that were listed as of the date hereof without the Seller’s written consent, not to be unreasonably withheld, conditioned or delayed and the consent of the Monitor); (b) Liabilities which relate to the Business under any Retained Contracts, Permits and Licenses or Permitted Encumbrances solely to the extent arising out of events or circumstances that first occur after the Closing, (c) Liabilities in respect of the Continuing Employees except as set forth in the definition of Excluded Liabilities; (d) Pre-Filing Stayed Unsecured Obligations; and (e) Post-Filing Trade Amounts;
- (k) “**ASPE**” means Accounting Standards for Private Enterprises;
- (l) “**Business**” has the meaning given to such term in Recital A;

- (m) “**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto, Ontario and New York, New York are open for commercial banking business during normal banking hours;
- (n) “**Buyer**” has the meaning given to such term in the preamble to this Agreement;
- (o) “**Buyer Consultant**” means a reputable and experienced consultant to be engaged by Buyer, in its sole and absolute discretion and at its sole cost, expense, direction and responsibility, including in respect of all Applicable Law and compliance with the applicable terms of this Agreement, including Sections 6.1 and 10.1;
- (p) “**Buyer Released Parties**” has the meaning given to such term in Section 6.10;
- (q) “**CCAA**” has the meaning given to such term in Recital C;
- (r) “**CCAA Applicants**” has the meaning given to such term in Recital C;
- (s) “**CCAA Charges**” means, collectively, the Administration Charge, DIP Lender’s Charge, Directors’ Charge, Financial Advisor Charge and KERP Charge;
- (t) “**CCAA Proceedings**” has the meaning given to such term in Recital C;
- (u) “**Chapter 15 Proceedings**” has the meaning given to such term in Section 5.1(c);
- (v) “**Claims**” means all debts, obligations, expenses, costs, damages, losses, Actions, Liabilities, Encumbrances (other than Permitted Encumbrances), accounts payable, indebtedness, contracts, leases, agreements, undertakings, claims (including product liability claims), rights and entitlements of any kind or nature whatsoever (whether direct or indirect, known or unknown, absolute or contingent, accrued or unaccrued, liquidated or unliquidated, matured or unmatured or due or not yet due, in law or in equity and whether based in statute or otherwise);
- (w) “**Closing**” means the completion of the Transaction at the Closing Time;
- (x) “**Closing Consideration**” has the meaning given to such term in Section 2.2(b);
- (y) “**Closing Date**” means the date that is no later than the earlier of the second Business Day after the last of the conditions set forth in Article 5 have been satisfied and by the Outside Date if the conditions set forth in Article 5 have been satisfied (other than, in each case, those conditions that by their nature are to be satisfied at closing of the Transaction, but subject to satisfaction or waiver of those conditions) or, where not prohibited, waived by the applicable Party or Parties in whose favour the condition is, unless another time or date is agreed to in writing by the Parties, or such other date as the Parties and the Monitor, may agree, acting reasonably;
- (z) “**Closing Documents**” means all contracts, agreements and instruments required by this Agreement to be delivered at or before the Closing, and including the Terminated Employee Escrow Fund Agreement;

- (aa) “**Closing Sequence**” means the sequence set out in Schedule H, which may be updated from time to time in accordance with Section 9.2 until two (2) Business Days prior to the Closing Date;
- (bb) “**Closing Time**” means 10:00 a.m. (Toronto time) on the Closing Date or such other time on the Closing Date as the Parties agree in writing that the Closing Time shall take place;
- (cc) “**Company**” means, collectively, CPL Canada Holdco, CPL Canada and Glasshouse Canada, or, as the context requires, any one or more of them;
- (dd) “**Company Released Parties**” has the meaning given to such term in Section 6.9;
- (ee) “**Confidential Information**” means non-public, confidential, personal or proprietary information which is furnished to a Party by the other Party, including, without limitation, information about identifiable individuals, any information relating to a Party and/or its Affiliates or any customer or supplier of a Party and/or its Affiliates; provided that “Confidential Information” does not include information that:
 - (i) is or becomes generally available to the public other than as a result of disclosure in breach of this Agreement;
 - (ii) is received by a Party from a third party that obtained it lawfully and was under no duty of confidentiality;
 - (iii) was lawfully in a Party’s possession prior to disclosure thereof by the other Party; or
 - (iv) was independently developed by a Party without use of, or reference to, the other Party’s Confidential Information;
- (ff) “**Contingent Value Rights**” means , collectively, the contingent value right issued by Contract Pharmaceuticals Limited to Deerfield Private Design Fund IV, L.P. dated December 6, 2018 and the contingent value right issued by Contract Pharmaceuticals Limited to Deerfield Private Design Fund III, L.P. dated December 6, 2018;
- (gg) “**Continuing Employees**” mean Employees other than Terminated Employees;
- (hh) “**Contracts**” means contracts, licences, permits, leases, agreements, commitments, entitlements or engagements to which the Company is a party or by which the Company is bound;
- (ii) “**Court**” has the meaning given to such term in Recital C;
- (jj) “**Court Approval**” means the issuance of the Court Orders by the Court;

- (kk) “**Court Orders**” means, collectively, the Approval and Vesting Order and the Terminated Employee Order;
- (ll) “**CPL Canada**” means Contract Pharmaceuticals Limited Canada;
- (mm) “**CPL Canada Holdco**” means CPL Canada Holdco Limited;
- (nn) “**CPL Shares**” has the meaning given to such term in Recital A;
- (oo) “**Credit Facilities**” means collectively, the DIP Facility, Deerfield Facility RBC Facility, EDC Facility and FedDev Facility;
- (pp) “**Cure Costs**” means the amounts, if any, to be paid to cure any monetary defaults of the Company under any Retained Contracts, other than those arising by reason only of the Company’s insolvency, the commencement of the CCAA Proceedings, or the Company’s failure to perform non-monetary obligations;
- (qq) “**Customer Deadline**” means the later of (i) 11:59 p.m. (Toronto time) on April 9, 2024, and (ii) such later date and time as the Seller may agree to in writing in its sole discretion following consultation with the Monitor;
- (rr) “**Deerfield Facility**” means that certain Facility Agreement dated December 6, 2018 among, *inter alia*, Deerfield Private Design Fund IV, L.P., as agent and lender, and Deerfield Private Design Fund III, L.P., as lender, and Glasshouse Canada as borrower, as amended;
- (ss) “**Deerfield Security Agreement**” means, collectively, the Canadian Security Agreement dated December 6, 2018, between, *inter alia*, CPL Canada and Deerfield Private Design Fund IV, L.P., as amended and the United States Guaranty Security Agreement dated December 6, 2018 between, *inter alia* the Seller and Deerfield Private Design Fund IV, L.P., as amended;
- (tt) “**Deposit**” has the meaning given to such term in Section 2.3(a);
- (uu) “**DIP Facility**” means the credit facility provided by DIP Lender to the Company as part of the CCAA Proceedings, as described by the DIP Financing Term Sheet dated December 14, 2023 between CPL Canada and the DIP Lender;
- (vv) “**DIP Lender**” has the meaning given to such term in the ARIQ;
- (ww) “**DIP Lender’s Charge**” has the meaning given to it in the ARIQ;
- (xx) “**Directors’ Charge**” has the meaning given to it in the ARIQ;
- (yy) “**EDC Facility**” means the credit agreement dated March 6, 2018 between, *inter alia*, Export Development Canada, as lender and CPL Canada, as borrower, as amended;

- (zz) “**EDC Intercreditor Agreement**” means the intercreditor agreement dated December 6, 2018 between Royal Bank of Canada, Export Development Canada, Deerfield Private Design Fund IV, L.P., and CPL Canada, as amended;
- (aaa) “**EDC Security Agreement**” means, collectively, the General Security Agreement dated November 19, 2015, between, *inter alia*, CPL Canada and Royal Bank of Canada, as amended;
- (bbb) “**Employee Plans**” means all oral or written plans, arrangements, agreements, programs, policies, practices or undertakings, with the exception of statutory or government sponsored plans, with respect to some or all of the current or former directors, officers, employees, contractors or consultants of the Company or the beneficiaries or dependents of any such Persons to which the Company is a party to or bound by or to which the Company has an obligation to contribute relating to:
- (i) bonus, profit sharing or deferred profit sharing, performance compensation, deferred or incentive compensation, share compensation, share purchase or share option purchase, share appreciation rights, phantom stock, employee loans, or any other compensation or perquisites (including vehicles) in addition to salary;
 - (ii) retirement or retirement savings, including, without limitation, registered or unregistered pension plans, pensions, supplemental pensions, registered retirement savings plans and retirement compensation arrangements; or
 - (iii) insured or self-insured benefits for or relating to income continuation or other benefits during absence from work (including short-term disability, long-term disability and workers compensation), hospitalization, health, welfare, legal costs or expenses, medical or dental treatments or expenses, life insurance, accident, death or survivor’s benefits, vacation or vacation pay, sick pay, supplementary employment insurance, day care, tuition or professional commitments or expenses or similar employment benefits and post-employment benefits,
- but excluding any statutory benefit plans which the Company is required to participate in or comply with, including the Canada Pension Plan and plans administered pursuant to applicable health tax, workplace safety insurance and employment insurance legislation;
- (ccc) “**Employees**” means all individuals who, as of Closing Time, are employed by the Company, whether on a full-time or part-time basis, and including all individuals who are on an approved and unexpired leave of absence and all individuals who have been placed on temporary lay-off which has not expired and “**Employee**” means any one of them;
- (ddd) “**Encumbrance**” means all claims, liabilities (direct, indirect, absolute or contingent), obligations, prior claims, right of retention, liens, security interests, charges, hypothecs, trusts, deemed trusts (statutory or otherwise), judgments, writs

of seizure or execution, notices of sale, contractual rights (including purchase options, rights of first refusal, rights of first offer or any other pre-emptive contractual rights), encumbrances or adverse claims of any nature, whether or not they have been registered, published or filed and whether secured, unsecured or otherwise;

- (eee) **“Encumbrances to Be Discharged”** means all Claims and Encumbrances on the Retained Assets, including the Encumbrances listed in Schedule “B”, an amended list of which may be delivered by the Buyer from time to time no later than two (2) Business Days before the Closing Date (provided that any additional Encumbrances to be Discharged must be consented to by the Seller, such consent not to be unreasonably withheld, conditioned or delayed, and consented to by the Monitor), the CCAA Charges, and any other charge granted by the Court in the CCAA Proceedings, and excluding only the Permitted Encumbrances.
- (fff) **“Equity Commitment Letter”** means the equity commitment letter dated as of the date hereof from the Investors to the Buyer, pursuant to which pursuant to which each of the Investors have committed, subject to the terms and conditions set forth therein, to provide the Buyer with equity financing to consummate the transactions contemplated by this Agreement.
- (ggg) **“Excluded Assets”** means: (i) all rights, covenants, obligations and benefits in favour of ResidualCo under this Agreement that survive Closing; (ii) all amounts owing by the Seller or Glasshouse Pharmaceuticals LLC to the Company (to the extent such amounts are not settled under a Pre-Closing Reorganization or Closing Sequence); and (iii) those assets listed in Schedule “C”, an amended list of which may be delivered by the Buyer from time to time no later than two (2) Business Days before the Closing Date (provided that the amendments may only include additional Excluded Assets and may not remove any Excluded Assets that were listed as of the date hereof without the Seller’s written consent, not to be unreasonably withheld, conditioned or delayed and the consent of the Monitor);
- (hhh) **“Excluded Contracts”** means all Contracts that are not Retained Contracts, including those Contracts listed in Schedule “D” an amended list of which may be delivered by the Buyer no later than two (2) Business Days before the Closing Date;
- (iii) **“Excluded Liabilities”** means all Claims and Encumbrances (other than Permitted Encumbrances) in respect of or against the Company relating to any Excluded Assets and Excluded Contracts as at the Closing Time, other than Assumed Liabilities, including, inter alia, the non-exhaustive list of those certain Liabilities set forth in Schedule “E”, all pre-filing Claims (other than Pre-Filing Stayed Unsecured Claims), all amounts owing by the Company to the Seller and Glasshouse Pharmaceuticals LLC (to the extent such amounts are not settled under a Pre-Closing Reorganization or Closing Sequence) including any amounts owing in respect of Taxes, any and all Claims relating to any change of control provision that may arise in connection with the change of control contemplated by the Transactions (including any change of control obligations or Existing Equity in

respect of Terminated Employees and Continuing Employees) and to which the Company may be bound as at the Closing Time and Liabilities for Employees whose employment with the Company or its Affiliates is terminated on or before Closing, Liabilities for Terminated Employees and all Liabilities to or in respect of the Company's Affiliates (to the extent such amounts are not settled under a Pre-Closing Reorganization or Closing Sequence). Without limiting the foregoing, Excluded Liabilities includes all Liabilities that are not Assumed Liabilities but excludes all Assumed Liabilities;

- (jjj) “**Existing Equity**” means any capital share, capital stock, partnership, membership, joint venture, warrant, option or other ownership or equity interest, participation or securities (whether convertible, non-convertible, voting or nonvoting, whether preferred, common or otherwise, and including share appreciation, contingent interest or similar rights) of the Company (including, for the avoidance of doubt, the Contingent Value Rights and the Warrants);
- (kkk) “**FDA**” means the U.S. Food and Drug Administration;
- (lll) “**FedDev Facility**” means the contribution agreement dated March 16, 2015, between His Majesty the King in Right of Ontario, as represented by the Minister of Infrastructure for Federal Economic Development Agency for Southern Ontario, CPL Canada and CPL Canada Holdco, as amended;
- (mmm) “**Final**” with respect to any order of any court of competent jurisdiction, 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 Buyer and the Seller) or vacated (or, if leave to appeal, reconsideration, or appeal has been sought, it has been dismissed, and any stay has been vacated) and all specified time periods within which leave to appeal or reconsideration could at law be sought shall have expired;
- (nnn) “**Financial Advisor’s Charge**” has the meaning given to it in the ARIQ;
- (ooo) “**Former Employees**” means those employees identified in writing by the Buyer to Seller prior to the Closing as Former Employees that ceased to be Employees prior to December 15, 2023;
- (ppp) “**Glasshouse Canada**” means Glasshouse Pharmaceuticals Limited Canada;
- (qqq) “**Governmental Authority**” means any government, regulatory authority, governmental department, agency, commission, bureau, court, judicial body, arbitral body or other law, rule or regulation-making entity:
 - (i) having jurisdiction over the Seller, the Buyer, the Company, the Business or the Assumed Liabilities on behalf of any country, province, state, locality or other geographical or political subdivision thereof; or

- (ii) exercising or entitled to exercise any administrative, judicial, legislative, regulatory or taxing authority or power;
- (rrr) “**Governmental Authorizations**” means the permits, licences, approvals and authorizations, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued to or held or required by the Company relating to the Company or the Business by or from any Governmental Authority;
- (sss) “**GST/HST**” means all goods and services tax and harmonized sales tax imposed under the ETA (including, for greater certainty, any provincial component of such harmonized sales tax), and any other similar statute enacted by the provinces or territories of Canada;
- (ttt) “**Identified Customers**” means three customers of the Company that Buyer has identified in writing to the Company on the date hereof;
- (uuu) “**including**” and “**includes**” shall be interpreted on an inclusive basis and shall be deemed to be followed by the words “without limitation”;
- (vvv) “**Initial CCAA Order**” has the meaning given to such term in Recital C;
- (www) “**Interim Period**” means the period from the date of this Agreement until the Closing Time;
- (xxx) “**Inventories**” means items that are held by the Company for sale, license, rental, lease, or are being produced for sale, or are to be consumed, directly or indirectly, in the production of goods or services to be available for sale, of every kind and nature and wheresoever situate including inventories of raw materials, work-in-progress, finished goods and by-products, operating supplies and packaging materials;
- (yyy) “**Investors**” means Aterian Investment Partners IV, LP and Aterian Investment Partners IV-A, LP.
- (zzz) “**KERP Charge**” has the meaning given to it in the ARIO;
- (aaaa) “**Key Licences**” means the following Permits and Licenses issued in the name of CPL Canada: (i) drug establishment licence #100022-A for 7600 Danbro Crescent, Mississauga, Ontario; (ii) drug establishment licence #100022-D for 2145 Meadowpine Blvd, Mississauga, Ontario; (iii) controlled drugs and substances licence #6-0728 for 7600 Danbro Crescent, Mississauga, Ontario; (iv) controlled drugs and substances licence #6-0730 for 2145 Meadowpine Blvd, Mississauga, Ontario; and (v) licence # L-R2-03505-21-CS-00 issued pursuant to the *Human Pathogens and Toxins Act*.
- (bbbb) “**Liability**” means, with respect to any Person, any liability or obligation of such Person of any kind, character or description, whether known or unknown, absolute or contingent, accrued or unaccrued, disputed or undisputed, liquidated or

unliquidated, secured or unsecured, joint or several, due or to become due, vested or unvested, executory, determined, determinable or otherwise, and whether or not the same is required to be accrued on the financial statements of such Person;

- (cccc) **“Material Adverse Change” or “Material Adverse Effect”** means any change, development, effect, event, circumstance, fact or occurrence that, individually or in the aggregate with such other changes, developments, effects, events, circumstances, facts or occurrences, is, or would reasonably be expected to be, material and adverse to the Retained Assets, Assumed Liabilities, condition (financial or otherwise), operations or results of operations of the Company or the Business, taken as a whole; other than any change, development, effect, event, circumstance, fact or occurrence arising out of, attributable to or resulting from (in whole or in part): (A) any action expressly required, permitted or contemplated by this Agreement (including pursuant to Sections 6.4, 6.5 or 9.2) or relating to the CCAA Proceedings; (B) general political, economic or financial conditions in Canada or elsewhere in the world; (C) any change generally affecting the industries in which the Business is conducted (including changes in prices, costs of materials, labor, or shipping, general market prices, or regulatory changes in any such industry); (D) acts of terrorism or war (whether or not declared); (E) any changes to existing Applicable Law (including the interpretation thereof); (F) any changes to ASPE or the adoption, implementation or proposal of any new accounting principles; (G) hurricanes, earthquakes, storms, floods or other natural disasters, epidemics, pandemics, outbreak or escalation of hostilities, the declaration of war, acts of terrorism, or acts of God; (H) any action consented to by the Buyer in writing; (I) any change in the forecasts or projections of the Company or the Business, or any failure by the Seller to meet any projections or estimates (including internal projections or estimates and the cash flow forecasts filed in the CCAA Proceedings or the DIP Budget) of revenues, earnings, working capital or performance for any period (it being understood that the causes underlying any such change or failure, if not otherwise excluded pursuant to this definition, may be considered to determine whether same constitutes a Material Adverse Change or Material Adverse Effect); (J) any action, change, development, effect, event, circumstance, fact or occurrence that (1) is attributable to, consented to or otherwise caused by the Buyer or (2) arises from the negotiation, announcement or pendency of this Agreement or the Transactions or the identity, nature or ownership of the Buyer; and (K) the CCAA Proceedings or any order of the Court made in the CCAA Proceedings provided, however, that any change or effect referred to in clause (B), (C), (D), (E), (F) or (G) above does not primarily relate only to (or have the effect of primarily relating only to) the Company and the Business, or disproportionately affects the Company and the Business compared to other entities of similar size and nature operating in a similar industry in the same jurisdictions in which the Company operates, in which case the relevant exclusion from this definition of Material Adverse Change or Material Adverse Effect referred to above shall not be applicable;
- (dddd) **“Material Health Regulatory Incident”** means: (i) the Company ceases to have the minimum designated regulatory personnel necessary to carry on the

Business in accordance with the terms of one or more of the Key Licences which has not been rectified to the satisfaction of Health Canada or the Buyer prior to Closing; (ii) a product manufactured, fabricated, packaged and/or labelled at the Company's facilities and/or distributed by the Company is subject to a Class I or Class II recall that has a Material Adverse Effect on the Business; or (iii) the Company has been subject to a physical inspection or received a written inspection report (including any report of inspectional observations, FDA Form 483s, inspection exit notices or establishment inspection reports) from the FDA, Health Canada or the Public Health Agency of Canada (A) in which the FDA has classified the inspection as "official action indicated" or Health Canada or the Public Health Agency of Canada has found a non-compliance rating in respect of the Key Licences or asserted or alleged in writing that the operations of the Company are not in material compliance with Applicable Law (for greater certainty, excluding any observations or correction actions noted in the context of an otherwise compliance rating or compliance with Applicable Law confirmation) and (B) which has not been rectified to the satisfaction of the applicable Governmental Authority or the Buyer prior to Closing. For the avoidance of doubt, any rectification that is satisfactory to Health Canada or any other applicable Governmental Authority shall be deemed to be satisfactory to Buyer hereunder;

- (eeee) "**Monitor**" has the meaning given to such term in Recital B;
- (ffff) "**Monitor's Certificate**" means the certificate, substantially in the form to be attached as Schedule "A" to the Approval and Vesting Order, to be delivered to the Buyer and filed with the Court by the Monitor;
- (gggg) "**Non-Recourse Persons**" has the meaning set forth in Section 10.4;
- (hhhh) "**ordinary course of the Business**" means ordinary course of the Business having regard to the Company's current financial condition and the CCAA Proceedings;
- (iiii) "**Outside Date**" means May 29, 2024 or such later date as provided for in Section 6.5(d);
- (jjjj) "**Parties**" means the Seller and the Buyer collectively, and "**Party**" means either of the Seller or the Buyer;
- (kkkk) "**Permitted Encumbrances**" means only the Encumbrances related to the Retained Assets listed in Schedule "F";
- (llll) "**Permits and Licenses**" means the permits, licenses, Governmental Authorizations, approvals or other evidence of authority related to the Business issued to, granted to, conferred upon, or otherwise created for the Company;
- (mmmm) "**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 personal representative, Governmental Authority or other entity however designated or constituted;

- (nnnn) **“Portfolio Companies”** persons in which Aterian Investment Partners or its Affiliates invest or have an economic interest or other business relationships (other than the Buyer);
- (oooo) **“Post-Filing Trade Amounts”** means any accrued and unpaid amounts related to or in connection with the Business owing by the Company, or due in the future, to third parties relating to the period from and including December 15, 2023, that are unpaid as of the Closing (but excluding, for the avoidance of doubt, the professional fees, costs and expenses owing by the Company that will be satisfied at or prior to the Closing or that will be fully satisfied from the Administrative Expense Reserve);
- (pppp) **“Pre-Closing Reorganization”** has the meaning set forth in Section 6.5(b);
- (qqqq) **“Pre-Filing Stayed Unsecured Obligations”** means the Claims, including Cure Costs, identified in writing by the Buyer to the Seller and the Company on the date hereof, in such amounts as may be agreed to between the Buyer and the third party to which such Pre-Filing Stayed Unsecured Obligations are payable (and for the avoidance of doubt, in the absence of such agreement, such Claims may, at Buyer’s discretion and by providing notice in writing to Seller and the Monitor no later than two (2) Business Days prior to the Closing Date, be excluded from being Pre-Filing Stayed Unsecured Obligations, provided that (i) the aggregate maximum amount of such Claims that may be excluded from the Pre-Filing Stayed Unsecured Obligations shall not exceed the amount identified in writing by the Buyer to the Seller and the Monitor on the date hereof concurrently with the execution of this Agreement, and (ii) no Cure Costs may be excluded), subject to a maximum aggregate amount for all such Claims, including Cure Costs, of \$10,829,236 (provided that such aggregate amount shall be adjusted from time to time based on the CAD/USD exchange rate posted on the Bank of Canada website from time to time to account for exchange rate fluctuations based on the underlying currency of the relevant Pre-Filing Stayed Unsecured Obligations);
- (rrrr) **“Pre-petition Severance Amounts”** means Claims by the Former Employees;
- (ssss) **“R&W Policy”** means a purchaser-side representation and warranty insurance policy, if bound at Closing in the name of and for the benefit of the Buyer and at the sole cost, expense and responsibility of Buyer;
- (tttt) **“RBC Intercreditor Agreement”** means the intercreditor agreement dated December 6, 2018 between, *inter alia*, Royal Bank of Canada, Deerfield Private Design Fund IV, L.P., and CPL Canada, as amended;
- (uuuu) **“RBC Facility”** means the credit agreement dated November 22, 2017 between, *inter alia*, Royal Bank of Canada, as lender and CPL Canada Holdco, as borrower, as amended;

- (vvvv) “**RBC Security Agreement**” means, collectively, the General Security Agreement dated November 19, 2015, between, *inter alia*, CPL Canada and Royal Bank of Canada, as amended and the Investment Property Pledge Agreement dated December 6, 2018 between, *inter alia*, CPL Canada Holdco and Royal Bank of Canada, as amended;
- (www) “**Released Claims**” means all Claims, including loss of value, professional fees, and including any “claim” as defined in the CCAA and including fees and disbursements of legal counsel on a full indemnity basis, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;
- (xxxx) “**ResidualCo**” means 1000834899 Ontario Inc., a corporation incorporated by the Company in advance of Closing, to which the Excluded Assets, Excluded Contracts and Excluded Liabilities will be transferred to as part of the Closing Sequence, which shall have no issued and outstanding shares;
- (yyyy) “**Retained Assets**” has the meaning set forth in Section 2.5(b);
- (zzzz) “**Retained Contracts**” means (i) all employment Contracts with Continuing Employees, and (ii) those Contracts listed on Schedule “G”, an amended list of which may be delivered to the Buyer from time to time no later than two (2) Business Days before the Closing Date;
- (aaaa) “**Seller**” has the meaning given to such terms in the preamble to this Agreement;
- (bbbb) “**Share Purchase Price**” has the meaning set forth in Section 2.2(a);
- (cccc) “**SISP**” has the meaning given to such term in Recital D;
- (dddd) “**SISP Approval Order**” has the meaning given to such term in Recital D;
- (eeee) “**Successful Bid**” has the meaning given to such term in the SISP;
- (ffff) “**Tax**” and “**Taxes**” means all taxes, surtaxes, duties, levies, imposts, fees, assessments, reassessments, withholdings, dues and other charges of any nature, imposed or collected by any Governmental Authority, whether disputed or not, including federal, provincial, territorial, state, municipal and local, foreign and other income, franchise, capital, real property, personal property, withholding, payroll, health, transfer, value added, alternative, or add on minimum tax including GST/HST, sales, use, consumption, excise, customs, anti-dumping, countervail, net worth, stamp, registration, franchise, payroll, employment, education, business, school, local improvement, development and occupation taxes, duties, levies, imposts, fees, assessments and withholdings and Canada Pension Plan contributions, employment insurance premiums and all other taxes and similar governmental charges, levies or assessments of any kind whatsoever imposed by any Governmental Authority including any installment payments, interest, penalties, fines or other additions associated therewith, whether or not disputed;

- (ggggg) “**Taxing Authority**” means any Governmental Authority, domestic or foreign, having jurisdiction over the assessment, determination, collection, or other imposition of any Tax;
- (hhhhh) “**Terminated Employee Escrow Fund Agreement**” means the escrow agreement to be established on the Closing Date between the Monitor and the Buyer or an Affiliate thereof for purposes of holding and disbursing the Terminated Employee Fund to the Terminated Employees, in form and substance reasonably satisfactory to the Buyer, the Seller and the Monitor;
- (iiii) “**Terminated Employee Fund**” means a fund in the aggregate amount of \$500,000 or such greater amount as Buyer may determine, in its sole and absolute discretion, to be held by the Monitor and funded by the Buyer effective as of the Closing Date by entering into the Terminated Employee Escrow Fund Agreement, the terms and conditions of which are summarized in Schedule “J”, which, for the avoidance of doubt, will apply to all Terminated Employees regardless of number.
- (jjjj) “**Terminated Employee Fund Order**” means a terminated employee fund order of the Court substantially in the form attached hereto as Schedule “K” with such changes as the Seller and the Buyer may agree, each acting reasonably;
- (kkkkk) “**Terminated Employees**” means those certain Employees set out in correspondence between Goodmans LLP and Osler, Hoskin & Harcourt LLP on the date hereof, together with such other Employees as Buyer may add as Terminated Employees by providing written notice to the Seller and the Monitor no later than two (2) Business Days before the Closing Date, provided that there will be at least 250 Continuing Employees at Closing (and for purposes of counting such 250 Continuing Employees, Employees that voluntarily resign or retire prior to Closing will be considered Continuing Employees);
- (llll) “**Transaction**” means, collectively, the Pre-Closing Reorganization, the sale and purchase of the CPL Shares pursuant to this Agreement and all other transactions contemplated by this Agreement that are to occur contemporaneously with the sale and purchase of the CPL Shares; and
- (mmmm) “**Warrants**” means, collectively, the warrant to purchase common stock granted to Deerfield Private Design Fund IV, L.P. and issued by Contract Pharmaceuticals Limited dated December 6, 2018; and the warrant to purchase common stock granted to Deerfield Private Design Fund III, L.P. and issued by Contract Pharmaceuticals Limited dated December 6, 2018.

1.2 Schedules

The schedules to this Agreement are an integral part of this Agreement.

<u>Schedule</u>	<u>Description</u>
Schedule A	Assumed Liabilities

Schedule B	Encumbrances to be Discharged
Schedule C	Excluded Assets
Schedule D	Excluded Contracts
Schedule E	Excluded Liabilities
Schedule F	Permitted Encumbrances
Schedule G	Retained Contracts
Schedule H	Closing Sequence
Schedule I	Approval and Vesting Order
Schedule J	Terminated Employee Fund Terms
Schedule K	Terminated Employee Fund Order

1.3 Statutes

Unless specified otherwise, reference in this Agreement to a statute or regulations refers to that statute or those regulations, as the case may be, as may be amended, or to any restated or successor legislation of comparable effect.

1.4 Headings and Table of Contents

The inclusion of headings and a table of contents in this Agreement is for convenience of reference only and shall not affect the construction or interpretation hereof.

1.5 Gender and Number

In this Agreement, unless the context otherwise requires, words importing the singular include the plural and vice versa and words importing gender include all genders.

1.6 Currency

Except where otherwise expressly provided, all amounts in this Agreement are stated and shall be paid in Canadian dollars.

1.7 Invalidity of Provisions

Each of the provisions contained in this Agreement is distinct and severable and a declaration of invalidity or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision hereof.

1.8 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and set out all the covenants, promises, warranties, representations, conditions and agreements between the

Parties in connection with the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written, pre-contractual or otherwise. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, whether oral or written, pre-contractual or otherwise, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as otherwise specifically set forth in this Agreement and any document required to be delivered pursuant to or in respect of this Agreement.

1.9 Waiver, Amendment

Except as expressly provided in this Agreement, no amendment or waiver of this Agreement shall be binding unless executed in writing by all Parties hereto. No waiver of any provision of this Agreement shall constitute a waiver of any other provision nor shall any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.

1.10 Governing Law; Jurisdiction and Venue

This Agreement, the rights and obligations of the Parties under this Agreement, and any claim or controversy directly or indirectly based upon or arising out of this Agreement or the Transaction (whether based on contract, tort, or any other theory), including all matters of construction, validity and performance, shall in all respects be governed by, and interpreted, construed and determined in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein (including, as applicable, the CCAA), without regard to the conflicts of law principles thereof. The Parties consent to the exclusive jurisdiction and venue of the Court prior to a Final order of the Court terminating the CCAA Proceedings and thereafter to the Courts of the Province of Ontario for the resolution of any disputes arising under or in connection with this Agreement. Each Party agrees that service of process on such Party as provided in Section 10.6 shall be deemed effective service of process on such Party.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of CPL Shares.

Subject to the terms and conditions of this Agreement, effective as and from the Closing Time, Seller shall sell, assign and transfer the CPL Shares to Buyer, and Buyer shall purchase the CPL Shares from Seller, free and clear of all Encumbrances (other than Permitted Encumbrances), with the result that Buyer shall become the sole shareholder of CPL Canada Holdco at the Closing Time.

2.2 Share Purchase Price and Closing Consideration.

- (a) The aggregate purchase price (the “**Share Purchase Price**”) payable by the Buyer to the Seller for the CPL Shares shall be \$1.00.

- (b) On the Closing Date, the Buyer shall pay to the Monitor an amount equal to the sum of the amounts set forth in the sixth step of the Closing Sequence as of the Closing as a loan by the Buyer to CPL Canada Holdco, which amounts have been estimated by the Seller to be approximately \$57,516,345 (estimated as at April 30, 2024) (the “**Closing Consideration**”). For greater certainty, Seller’s estimated amount in the preceding sentence is solely an estimate and not a maximum and the Closing Consideration shall be the aggregate amount of all Claims (including all costs and expenses, including any and all fees and such other amounts payable to financial and legal advisors) owing under the DIP Facility, the RBC Facility, the EDC Facility and the Deerfield Facility payable in the currency stipulated by each such Credit Facility.
- (c) In addition to the Closing Consideration, on the Closing Date, the Buyer shall (i) pay to the Monitor the Administrative Expense Reserve as a loan by the Buyer to CPL Canada Holdco, and (ii) subject to the Company obtaining the Terminated Employee Fund Order, pay an amount equal to the Terminated Employee Fund to the Monitor to establish, or cause to be established, the Terminated Employee Fund in accordance with Section 6.12.

2.3 Satisfaction of the Share Purchase Price and the Closing Consideration

- (a) The Buyer has paid to the Monitor \$7,598,723.09 (the “**Deposit**”) as a deposit towards the Share Purchase Price and the Closing Consideration, to be held by the Monitor in an interest bearing account, to be applied against the Closing Consideration or returned or forfeited, as the case may be, in accordance with the terms and conditions of this Agreement.
- (b) The Buyer shall satisfy the Share Purchase Price and Closing Consideration at the Closing Time by:
 - (i) the Deposit plus all interest earned thereon, if any, being irrevocably released to the benefit of the Seller to the extent of \$1.00 and applied against the Share Purchase Price;
 - (ii) the remainder of the Deposit and all interest thereon being irrevocably released to the Monitor and applied against the Closing Consideration; and
 - (iii) payment to the Monitor of the balance of the Closing Consideration.

2.4 Payment of the Administrative Expense Reserve and Terminated Employee Fund

- (a) The Buyer shall satisfy its payment obligations pursuant to Section 2.2(c) at the Closing Time by:
 - (i) payment to the Monitor of the Administrative Expense Reserve; and

- (ii) subject to the Company obtaining the Terminated Employee Fund Order, establishing, or causing to be established, the Terminated Employee Fund and funding the amount of the Terminated Employee Fund to the Monitor.

2.5 Transfer of Excluded Assets and Excluded Liabilities to ResidualCo.

- (a) On the Closing Date and in accordance with the Closing Sequence and pursuant to the Approval and Vesting Order, the Excluded Assets, the Excluded Contracts and Excluded Liabilities shall be transferred to and assumed by ResidualCo, and the same shall be vested in ResidualCo pursuant to the Approval and Vesting Order.
- (b) On the Closing Date, the Company shall retain, free and clear of any and all Encumbrances other than Permitted Encumbrances, all of the assets owned by it on the date of this Agreement and any assets acquired by it up to and including Closing, including the Retained Contracts, Permits and Licenses and books and records of the Company (the "**Retained Assets**"), except, however, any products or inventory sold in the ordinary course of business during the Interim Period. For greater certainty, the Retained Assets shall not include the Excluded Assets or the Excluded Contracts, which the Company shall transfer to ResidualCo in accordance with the Closing Sequence on the Closing Date and same shall be vested in ResidualCo.

2.6 As is, Where is

THE BUYER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THE REPRESENTATIONS AND WARRANTIES OF THE SELLER IN Article 3 (ALL OF WHICH SHALL MERGE UPON THE CLOSING), THE BUSINESS AND THE CPL SHARES ARE PURCHASED AND THE RETAINED ASSETS AND THE ASSUMED LIABILITIES ARE RETAINED ON AN "AS IS, WHERE IS" BASIS AS THEY SHALL EXIST AT THE CLOSING DATE WITH ALL FAULTS AND WITHOUT ANY REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, IN FACT OR BY LAW WITH RESPECT TO THE BUSINESS, THE CPL SHARES, THE RETAINED ASSETS AND THE ASSUMED LIABILITIES, AND WITHOUT ANY RECOURSE TO THE SELLER OR THE MONITOR OR ANY OF THEIR RESPECTIVE AFFILIATES, DIRECTORS, OFFICERS, SHAREHOLDERS, REPRESENTATIVES OR ADVISORS. THE BUYER AGREES TO ACCEPT THE BUSINESS, THE CPL SHARES, THE RETAINED ASSETS AND THE ASSUMED LIABILITIES IN THE CONDITION, STATE AND LOCATION THEY ARE IN ON THE CLOSING DATE BASED ON THE BUYER'S OWN INSPECTION, EXAMINATION AND DETERMINATION WITH RESPECT TO ALL MATTERS AND WITHOUT RELIANCE UPON ANY EXPRESS OR IMPLIED REPRESENTATIONS OR WARRANTIES OF ANY NATURE MADE BY OR ON BEHALF OF OR IMPUTED TO THE SELLER, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT. Unless specifically stated in this Agreement, the Buyer acknowledges and agrees that no representation, warranty, term or condition, understanding or collateral agreement, whether statutory, express or implied, oral or written, legal, equitable, conventional, collateral or otherwise, is being given by either of the Seller in this Agreement or in any instrument furnished in connection with this

Agreement, as to description, fitness for purpose, sufficiency to carry on any business, merchantability, quantity, condition, quality, value, suitability, durability, environmental condition, assignability or marketability thereof, or in respect of any other matter or thing whatsoever, and all of the same are expressly excluded. The provisions of this Section 2.6 shall survive and not merge on Closing. Without limiting the generality of the foregoing, no representations or warranties have been given by any Party with respect to any Liabilities the Company or any Party has or may have with respect to Taxes, including in connection with entering into this Agreement, the issuance of the Approval and Vesting Order, the consummation of the Transactions or for any other reason. Each Party is to rely on its own investigations in respect of any Liabilities for Taxes payable, collectible or required to be remitted by the Company or any other Party on or after Closing and the quantum of any and all such Liabilities, if any, and the Buyer expressly confirms and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of the Company in order to make an independent analysis of same.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES BY THE SELLER

The Seller represents and warrants to the Buyer and acknowledge that the Buyer is relying upon the following representations and warranties in connection with the Transaction:

3.1 Existence

The Seller is duly organized and validly existing under the laws of its jurisdiction of organization.

3.2 Due Authorization and Enforceability of Obligations

Subject to Court Approval being obtained, the Seller has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement has been duly authorized by all necessary corporate action of the Seller. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Seller and, subject to Court Approval being obtained, constitute valid and binding obligations of the Seller enforceable against it in accordance with their terms, except as such enforceability may be limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

3.3 Title to CPL Shares and Retained Assets

Seller is, and immediately prior to the Closing Time will be, the sole registered and beneficial owner of the CPL Shares, with good and valid title thereto, and, subject to Court Approval being obtained and pursuant to the Approval and Vesting Order, Seller will transfer good and valid title to the CPL Shares to Buyer free and clear of all Encumbrances (other than Permitted Encumbrances). Subject to Court Approval being obtained, immediately prior to the Closing Time, there will be no issued and outstanding common shares or other securities of CPL Canada Holdco other than the CPL Shares nor are there

any securities convertible into or options, equity-based awards or other rights, agreements or commitments that are held by any Person and which are convertible into or exchangeable for common shares or any other securities of CPL Canada Holdco. Subject to Court Approval being obtained, except for Buyer's rights under this Agreement, no Person has any contractual right, option or privilege for the purchase or acquisition from Seller or CPL Canada Holdco of any of the CPL Shares, or any other equity interest in any Company, or the Retained Assets. All of the issued and outstanding shares of CPL Canada and Glasshouse Canada are owned by CPL Canada Holdco.

3.4 Absence of Conflicts

Except for the approvals set out in Section 3.5, Seller is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constating documents or Applicable Laws or Governmental Authorizations that would be violated, breached by, or under which any default would occur or with notice or the passage of time would be created as a result of the execution and delivery of, or the performance of obligations under this Agreement or any Closing Documents to be entered into or delivered under the terms and conditions of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or Governmental Authorizations that (i) would not have a Material Adverse Effect on the conduct of the Business or on the ability of the Seller to consummate the Transaction, or (ii) will be addressed by the Approval and Vesting Order or other order of the Court made in the CCAA Proceedings. The Seller does not own any assets that are related to or required for the Business other than the shares of CPL Canada Holdco and Glasshouse Pharmaceuticals LLC does not have any material assets that are related to or required for the Business.

3.5 Approvals and Consents

Except for Court Approval, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Seller and each of the Closing Documents to be executed and delivered by a Seller hereunder or otherwise in connection with the Transaction.

3.6 Permits and Licenses

The Company is not in default or breach of any Permits and License that would reasonably be expected to result in a Material Adverse Effect.

3.7 Employee Matters

Copies of all material Contracts or forms of Contracts for Employees and Employee Plans have been provided in the data room of the Company for the Transaction, including Contracts for any Employees with a salary in excess of \$200,000 per annum, who have a change of control provision in their Contract or who have any severance entitlements that could reasonably be expected to exceed reasonable common law severance amounts. The virtual data room of the Company for the Transaction or other diligence information provided to the Buyer disclosed any material proceedings, actions, suit or claim pending

or threatened involving any Employee of the Company (other than Former Employees) and disclosed any strikes, labour disputes, work slow-downs or stoppages, material grievances or controversies, or other similar material labour relations difficulties affecting the Company.

3.8 Customer Contracts

True and complete copies of all Contracts with the Company's customers that provided for payments to the Company in an aggregate amount of \$1,000,000 or more during the twelve (12) months ending October 31, 2023 and all Contracts (other than any individual task orders, purchase orders, delivery orders or shipping orders) with the Company's vendors that provided for payments by the Company in an aggregate amount of \$100,000 or more during the twelve (12) months ending October 31, 2023 have been provided in the virtual data room of the Company for the Transaction, including Contracts with the Company's top ten customers by revenue, top ten vendors by spend and any Contracts with customers that have exclusivity provisions, most favoured nations provisions, non-compete provisions, rights of first offer or refusal or other similar provisions, in each case that remain in effect after Closing, provided that if any Contracts are not included in the virtual data room of the Company for the Transaction on the date hereof, such Contracts will be provided to the Buyer within five (5) Business Days of the date hereof.

3.9 Brokers

Except for amounts that will be satisfied by the Seller or for amounts payable to SSG Capital Advisors LLC and Raymond James Ltd. which have been disclosed to the Buyer on or before the date hereof, no broker, finder or investment banker is entitled to any brokerage commission, finder's fee or other similar payment in connection with the Transaction based upon any arrangement made by or on behalf of the Seller.

ARTICLE 4 REPRESENTATIONS AND WARRANTIES OF THE BUYER

The Buyer represents and warrants to the Seller as follows, and acknowledges that the Seller is relying upon the following representations and warranties in connection with the Transaction:

4.1 Existence

The Buyer is duly organized and validly existing under the laws of its jurisdiction of organization.

4.2 Due Authorization and Enforceability of Obligations

The Buyer has all necessary power, authority and capacity to enter into this Agreement and to carry out its obligations under this Agreement. The execution and delivery of this Agreement has been duly authorized by all necessary action of the Buyer. This Agreement has been, and at the Closing Time the Closing Documents will be, duly executed and delivered by the Buyer and constitute valid and binding obligations of the Buyer enforceable against it in accordance with their terms, except as such enforceability may be

limited by bankruptcy, insolvency, moratorium, reorganization and similar laws affecting creditors generally and by general principles of equity.

4.3 Absence of Conflicts

The Buyer is not a party to, bound or affected by or subject to any provision in its articles, by-laws or other constituting documents or Applicable Laws or Governmental Authorizations, approvals, franchises, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority that would be violated, breached by, or under which any default would occur or with notice or the passage of time would, be created as a result of the execution and delivery of, or the performance of obligations under, this Agreement or any other agreement or document to be entered into or delivered under the terms and conditions of this Agreement, except for any violations, breaches or defaults or any Applicable Laws or any Governmental Authorizations, approvals, orders, certificates, consents, directives, notices, licences, permits, variances, registrations or other rights issued, granted or given by or from any Governmental Authority, that would not have a material and adverse effect on the ability of the Buyer to consummate the Transaction.

4.4 Approvals and Consents

No authorization, consent or approval of, or filing with or notice to, any Governmental Authority or any other Person is required in connection with the execution, delivery or performance of this Agreement by the Buyer and each of the Closing Documents to be executed and delivered by the Buyer hereunder or otherwise in connection with the Transaction.

4.5 Investment Canada Act

At the Closing Time, the Buyer will (a) be either a “Canadian” or “WTO investor” within the meaning of the *Investment Canada Act*; and (b) not be a “state-owned enterprise” within the meaning of the *Investment Canada Act*.

4.6 Brokers

No broker, finder or investment banker is entitled to any brokerage commission, finder’s fee or other similar payment from the Seller in connection with the Transaction based upon any arrangement made by or on behalf of the Buyer.

4.7 Financing

The Buyer has, or will have at the Closing, sufficient cash on hand or other sources of immediately available funds to enable it to make payment of the Closing Consideration, the Administrative Expense Reserve and the Terminated Employee Fund and consummate the Transaction. The Buyer has delivered to the Seller a true and complete copy of the Equity Commitment Letter. As of the date hereof, the Equity Commitment Letter has not been amended or modified, no such amendment or modification is pending or contemplated, and the equity commitment pursuant thereto has not been withdrawn,

terminated or rescinded. The Equity Commitment Letter delivered to the Seller has been duly executed and delivered by the Buyer and each of the Investors, is valid, in full force and effect and in good standing, and is enforceable against the Buyer and each of the Investors in accordance with its terms.

4.8 Informed and Sophisticated Buyer

The Buyer is an informed and sophisticated buyer, and has engaged expert advisors and is experienced in the evaluation and purchase of distressed enterprises such as the Business as contemplated hereunder. The Buyer has undertaken such investigations and has been provided with and has evaluated such documents and information as it has received to make an informed and intelligent decision with respect to the execution, delivery and performance of this Agreement.

ARTICLE 5 CONDITIONS

5.1 Conditions for the Benefit of the Buyer

The obligation of the Buyer to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Buyer of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Buyer):

- (a) the Buyer shall be satisfied in its sole and absolute discretion with the outcome of the discussions coordinated by the Company that the Buyer shall have with the Identified Customers following the date hereof; provided that this condition shall be deemed irrevocably satisfied if Buyer does not exercise its termination right pursuant to Section 8.1(g) by the Customer Deadline;
- (b) the Court Orders shall have been issued and entered by the Court, and shall not have been stayed, varied (except with the consent of the Buyer and the Seller) or vacated and shall be a Final order of the Court;
- (c) an order has been obtained in respect of proceedings to recognize the CCAA Proceedings and enforce the Approval and Vesting Order in the United States pursuant to Chapter 15 of Title 15 of the United States Code (the “**Chapter 15 Proceedings**”), which shall be satisfactory to the Buyer, acting reasonably and shall not have been stayed, varied (except with the consent of the Buyer and the Seller) or vacated and shall be a Final order of the applicable court;
- (d) since the date hereof there shall not have occurred any Material Adverse Change;
- (e) the Key Licences shall remain in good standing, unamended (except for any amendment(s) (i) pursuant to compliance with the Company Support Obligations in Section 6.4 or the Pre-Closing Reorganization in Section 6.5, (ii) that Buyer has consented to, or (iii) that would not have a negative impact on the Business or the

Assumed Liabilities), and since the date hereof there shall not have occurred any Material Health Regulatory Incident;

- (f) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction shall be in effect;
- (g) except as such representations and warranties may be affected by the Approval and Vesting Order, compliance with the Company Support Obligations in Section 6.4, or the Pre-Closing Reorganization in Section 6.5, the representations and warranties of the Seller set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at and as of such time, except where any breach of a representation or warranty would not, individually or in the aggregate, cause a Material Adverse Change (and, for this purpose, any reference to “material”, “Material Adverse Change” or any other concept of materiality in such representations and warranties shall be ignored) (other than the representations and warranties in Sections 3.1, 3.2, 3.3 and 3.9 which shall be true and correct in all respects as of the date hereof and the Closing Time);
- (h) the covenants contained in this Agreement to be performed by the Seller at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (i) the Buyer shall have received a certificate confirming the satisfaction of the conditions contained in Sections 5.1(g) and 5.1(h), signed for and on behalf of the Seller without personal liability by an executive officer of the Seller or other Persons reasonably acceptable to the Buyer, in each case in form and substance reasonably satisfactory to the Buyer; and
- (j) the Buyer shall have received all other Closing Documents required pursuant to this Agreement to be delivered by the Seller on Closing in form and substance reasonably satisfactory to the Buyer.

5.2 Conditions for the Benefit of the Seller

The obligation of the Seller to consummate the Transaction is subject to the satisfaction of, or compliance with, or waiver by the Seller of, at or prior to the Closing Time, each of the following conditions (each of which is acknowledged to be for the exclusive benefit of the Seller):

- (a) the Court Orders shall have been issued and entered by the Court, and shall not have been stayed, varied (except with the consent of the Buyer and the Seller) or vacated and shall be a Final order of the Court;
- (b) no provision of any Applicable Law and no judgment, injunction, order or decree that prohibits the consummation of the Transaction shall be in effect;
- (c) the representations and warranties of the Buyer set forth in this Agreement shall be true and correct at the Closing Time with the same force and effect as if made at

and as of such time, except where any breach of a representation or warranty would not, individually or in the aggregate, cause a material adverse effect on the Buyer's ability to consummate the Transaction (other than the representations and warranties in Sections 4.1, 4.2, 4.3, 4.5 and 4.6 which shall be true and correct in all respects as of the date hereof and the Closing Time);

- (d) the covenants contained in this Agreement to be performed by the Buyer at or prior to the Closing Time shall have been performed in all material respects as at the Closing Time;
- (e) the Monitor, on behalf of the Seller, shall have received the entirety of the Closing Consideration and the Administrative Expense Reserve;
- (f) the Seller shall have received a certificate confirming the satisfaction of the conditions contained in Sections 5.2(c) and 5.2(d) signed for and on behalf of the Buyer without personal liability by an executive officer of the Buyer or other Persons reasonably acceptable to the Seller, in each case in form and substance reasonably satisfactory to the Seller;
- (g) Buyer shall have paid an amount equal to the Terminated Employee Fund to the Monitor and the Terminated Employee Escrow Fund Agreement shall have been entered into by Monitor and the Buyer; and
- (h) the Seller shall have received all other Closing Documents required pursuant to this Agreement to be delivered by the Buyer on Closing in form and substance reasonably satisfactory to the Seller.

ARTICLE 6 ADDITIONAL AGREEMENTS OF THE PARTIES

6.1 Access to Information

- (a) Until the Closing Time, the Seller shall give to the Buyer's personnel engaged in the Transaction, including the Buyer Consultant, and their accountants, legal advisers, consultants and representatives during normal business hours reasonable access to its premises and to all of the books and records relating to the Company, the Business and the Assumed Liabilities and to members of the Seller's senior management, shall furnish them with all such information relating to the Company, the Business, and the Assumed Liabilities as the Buyer may reasonably request in connection with the Transaction, including copies of all Contracts, and shall coordinate reasonable access by the Buyer and Buyer Consultant to the customers and suppliers of the Business (provided that a representative of the Seller and the Monitor shall be entitled to participate in any discussions or other communications with customers or suppliers). Notwithstanding anything in this Section 6.1 to the contrary, any such investigation shall be conducted upon reasonable advance notice and in such manner as does not materially disrupt the conduct of the Business. The Seller shall also deliver to the Buyer authorizations to Governmental Authorities necessary to permit the Buyer to obtain information in respect of the Company from

the files of such Governmental Authorities. Notwithstanding the foregoing, the Seller shall not be required to disclose any information, records, files or other data to the Buyer where prohibited by any Applicable Laws or such disclosure would have the effect of causing the waiver of any applicable privilege, unless the Parties have entered into a common interest privilege agreement in respect of the such information, records, files or other data and the Seller shall have consented to providing such privileged information, records, files or other data to the Buyer.

- (b) The Seller may retain copies of all books and records included in the Retained Assets to the extent necessary or useful for the administration of the CCAA Proceedings (or any subsequent bankruptcy or wind-down of the remaining CCAA Applicants, including ResidualCo) or the filing of any Tax return, any Tax audit or compliance with any Applicable Law or the terms and conditions of this Agreement.
- (c) Upon reasonable prior notice to the Buyer, the Seller, the Monitor and any trustee or wind-down officer appointed in respect of the remaining CCAA Applicants shall have access to, and the right to copy, at their own expense, for purposes of the CCAA Proceedings (or any subsequent bankruptcy or wind-down of any of the remaining CCAA Applicants) or the filing of any Tax return, any Tax audit or compliance with any Applicable Law or the terms and conditions of this Agreement, during usual business hours, all books and records included in the Retained Assets. From time to time following the Closing at the request of the Monitor, the Buyer shall make available knowledgeable employees of the Company to co-operate with the Monitor and respond to information requests in respect of the remaining CCAA Applicants, provided that such requests will be limited to reasonable requests for information or assistance by the Monitor that will not reasonably be expected to materially interfere with the day-to-day duties or activities of such employee for the Company and shall be at the remaining CCAA Applicants' sole expense.

6.2 Conduct of Business Until Closing Time

Except: (1) as expressly required or contemplated by this Agreement (including Sections 6.4, 6.5 and 9.2 herein) or by an order of the Court in the CCAA Proceedings; or (2) with the prior written consent of the Buyer (not to be unreasonably withheld, conditioned or delayed other than in respect of paragraphs (b), (c), (d), (e), (g), (l), (n), (p), (r)), during the Interim Period the Seller shall, and shall cause each Company to:

- (a) operate the Business in the ordinary course in all material respects and use commercially reasonable efforts to: (i) preserve the Business and customer, vendors and employee relationships; (ii) pay the Post Filing Trade Amounts as they become due; (iii) maintain Inventory sufficient for addressing customer demand; (iv) comply with the disbursement budget under the DIP Facility as of the date hereof (subject to the Permitted Variance, as such term is defined in the DIP Facility), a true and complete copy of which as been provided to the Buyer as of the date hereof (the "**DIP Budget**");

- (b) not declare, set aside or pay any cash or non-cash dividend or make any other cash or non-cash payment or distribution in respect of its outstanding securities;
- (c) not amend any terms of the articles of incorporation or constating documents of the Company;
- (d) not draw any amounts on the Credit Facilities or otherwise incur indebtedness thereunder other than (A) draws under the DIP Facility, (B) interest that accrues on amounts outstanding under the Credit Facilities and (C) fees and documented third-party expenses of the lenders pursuant to the terms of the Credit Facilities as contemplated in the DIP Budget;
- (e) not to pay any amounts owing under the Credit Facilities or any Pre-Filing Stayed Unsecured Obligations except as permitted by paragraph 8(c) of the ARIO in respect of payments to suppliers;
- (f) not (i) make, revoke or change any method of Tax accounting or material Tax election, (ii) file any amended Tax return with respect to material amounts of Taxes, (iii) enter into any closing agreement with respect to Taxes or settle or compromise any Tax claim or assessment, (iv) consent to any extension or waiver of the limitation period with respect to Taxes, or (v) initiate any voluntary Tax disclosure or request any Tax ruling, in each case, relating to, or otherwise affecting, the Company;
- (g) not enter into a Contract with an Affiliate other than on arm's length terms;
- (h) not waive, release, assign, pay, discharge, settle, satisfy or compromise any Action (including any pending or threatened Action) that would result in an Assumed Liability or any material restriction, or other material obligation, on the conduct of the Business, or commence any such Action;
- (i) not make any material changes in financial accounting methods, principles or practices materially affecting the consolidated assets, Liabilities or results of operations, except insofar as may be required by ASPE or applicable Law;
- (j) not accelerate the collection of any accounts receivable in relation to their applicable due dates, or otherwise fail to manage working capital in the ordinary course and consistent with the DIP Budget, in each case, in any material respect;
- (k) not transfer, lease, license, sell, abandon or create any Encumbrance on or otherwise dispose of any of the Company's assets, except sales of Inventory in the ordinary course of the Business;
- (l) not amend any of the Credit Facilities or the DIP Facility, except, in the case of extensions of the maturity date and amendments to the milestones in the DIP Facility as may be necessary to accommodate the Transaction; provided that any fees, third party expenses or other costs incurred by the Company as a result of such extensions or amendments will not exceed any corresponding amounts or limits set

forth in the DIP Budget and no such extensions or amendments will increase the fees payable to the DIP Lender;

- (m) not grant any increase in the rate of wages, salaries, benefits, bonuses or other remuneration of any Employee (other than in the ordinary course of Business consistent with past practice);
- (n) not take any action with respect to the amendment or grant of any “change of control”, severance, termination pay, pay in lieu of notice of termination or retention policies or arrangements for any directors, officers, employees or contractors;
- (o) not hire or retain the services of any executive officer or director, or terminate the services of any executive officer or director other than for cause;
- (p) not adopt any new bonus, employee benefit plan, profit sharing, deferred compensation, insurance, incentive compensation, other compensation or other similar plan, agreement, stock option plan, fund or arrangement for the benefit of employees, officers, directors or contractors;
- (q) not amend any Employee Plan or enter into a new Employee Plan;
- (r) not amend, terminate or assign any Key License or Contract that is material to the Business;
- (s) not amend, terminate or assign any Permits and Licenses (other than a Key License) or a Contract that is not material to the Business;
- (t) not materially delay or amend payment terms for any Post-Filing Trade Amounts or amend payment terms for any Pre-Filing Stayed Unsecured Obligations;
- (u) not grant any material refunds, credits, rebates, or allowances to customers or accelerate or delay collections;
- (v) not waive, release, permit the lapse of, relinquish or assign any material rights under any Contract that is material to the Business;
- (w) keep in full force and effect all of its existing insurance policies (including as they relate to Employee Plans) and give any notice or present any claim under any such insurance policies in a manner consistent with past practices of the Company and in the ordinary course of the Business;
- (x) not enter into any Contract related to the Business, except for Contracts that are purchase orders entered into in the ordinary course of the Business that are included in the DIP Budget and do not exceed \$200,000 individually or \$5,000,000 in the aggregate;

- (y) not authorize, or commit or agree, in writing or otherwise, to take, any of the actions that are prohibited by the foregoing covenants;
- (z) not terminate any Employees, other than the Terminated Employees in accordance with Section 6.2(aa);
- (aa) terminate the employment of the Terminated Employees by providing written notice of termination (“**Termination Notices**”) in a form satisfactory to the Buyer, acting reasonably and at such time reasonably requested by the Buyer, to each Terminated Employee with the termination of employment to be effective at least one (1) Business Day prior to Closing, it being acknowledged that the Company shall pay all accrued vacation pay owing to such Terminated Employees upon the termination of their employment. Seller shall provide Buyer with copies of all Termination Notices prior to Closing; and
- (bb) provide to the Buyer the Company’s draft response in respect of the Health Canada Notice of Compliant Rated Inspection Exit Notice dated March 27, 2024 at least 72 hours prior to submission of the draft response to Health Canada to allow the Buyer to review and comment on the draft response and Seller shall cause Company to give reasonable consideration to all such comments that are provided by Buyer in writing no later than 48 hours after Seller shares the draft response with Buyer.

6.3 Approvals and Consents

The Seller shall as soon as reasonably possible following the date hereof, make all such filings and seek all such consents, approvals, permits and authorizations with any Governmental Authorities whose consent is required for consummation of the Transaction, if any, and the Seller will request any expedited processing available.

6.4 Company Support Obligations

- (a) During the Interim Period Seller shall, and shall cause the Company to, subject to any approval of the Monitor required by the ARIO, as applicable:
 - (i) use commercially reasonable efforts to facilitate any calls or meetings between the Buyer and the Identified Customers and between the Buyer and the Company’s other customers that Buyer reasonably requests;
 - (ii) with the cooperation of or as directed by the Buyer, at the sole cost and expense of Buyer (in respect of any out-of-pocket expenses) and with the participation of the Buyer Consultant, negotiate amounts and payment terms for the Pre-Filing Stayed Unsecured Obligations; provided that any payment of the Pre-Filing Stayed Unsecured Obligations shall be subject to Closing;
 - (iii) consider in good faith with the Buyer Consultant any actions or changes to the Business which may increase operational efficiencies both before and after Closing; provided that the Seller has no obligation to implement any

actions or changes until following Closing except as otherwise may be required hereby;

- (iv) promptly notify the Buyer, in writing, of receipt of any notice, demand, request or inquiry by any Governmental Authority concerning the Transactions and in writing;
- (v) use commercially reasonable efforts to, upon request of the Buyer, cooperate and assist the Buyer in obtaining a R&W Policy prior to Closing, at the sole cost, expense and responsibility of Buyer; and
- (vi) the Company will promptly notify the Buyer of any Material Adverse Effect occurring from and after the date hereof.

6.5 Pre-Closing Reorganizations

- (a) Subject to Section 6.5(c) and subject to the conditions set forth in Section 5.1(a) and 5.1(b) having been satisfied, the Seller agrees that, upon request of Buyer, Seller shall, and shall cause the Company to (i) transfer the shares of Glasshouse Canada to CPL Canada in exchange for the issuance of a common share(s) of CPL Canada to CPL Canada Holdco (which will occur on a tax deferred basis in accordance with section 85 of the *Income Tax Act* (Canada)) and commence the wind-up of Glasshouse Canada into CPL Canada; and (ii) request a change in the fiscal period and taxation year of CPL Canada Holdco, CPL Canada and Glasshouse Canada for purposes of the *Income Tax Act* (Canada) with the Canada Revenue Agency to such date requested by the Buyer.
- (b) Subject to Section 6.5(c) and subject to the conditions set forth in Article 5 having been satisfied (other than those conditions that by their nature are to be satisfied at closing of the Transaction) or, where not prohibited, waived by the applicable Party or Parties in whose favour the condition is, the Seller agrees that, no earlier than the Business Day immediately prior to the Closing Date and upon request of Buyer, Seller shall, and shall cause the Company to (i) set-off amounts owing by the Company to the Seller or Glasshouse Pharmaceuticals LLC against amounts owing by the Seller or Glasshouse Pharmaceuticals LLC to the Company; (ii) otherwise settle any amounts outstanding between each of CPL Canada Holdco, CPL Canada and Glasshouse Canada and any other intercompany amounts, in each case in the manner specified by the Buyer acting reasonably; and (iii) with the consent of Seller, not to be unreasonably withheld, conditioned or delayed, perform such other reorganizations of its corporate structure, capital structure, business, operations and assets or such other transactions as Buyer may request, acting reasonably (each such action, together with the actions in Section 6.5(a), a “**Pre-Closing Reorganization**”). The Seller agrees to use commercially reasonable efforts to cooperate with the Buyer and its advisors to determine the nature of any Pre-Closing Reorganizations that might be undertaken and the manner in which they would most effectively be undertaken, including filing or causing the Company to file available elections or designations reasonably required to effect the Pre-Closing

Reorganizations if such filing is reasonably proposed to made at or prior to Closing, and to cooperate with the Buyer and its advisors to seek to obtain consents or waivers which might be required under any Retained Contracts or Governmental Authorizations in respect of any Pre-Closing Reorganization. At the sole option of the Seller, acting reasonably and following consultation with the Buyer, the Company will file any available election under paragraph 15(2.11)(d) of the *Income Tax Act* (Canada) in respect of amounts owing by the Seller or Glasshouse Pharmaceuticals LLC to the Company.

- (c) Notwithstanding the foregoing, the Seller and Company will not be obligated to participate in any Pre-Closing Reorganization if the Seller determines acting reasonably that such Pre-Closing Reorganization would (i) materially impair, impede, delay or prevent the satisfaction of any conditions set forth in Article 5, or the ability of the Buyer and Seller to consummate, or materially delay the consummation of, the Transaction, or (ii) in the case of an action contemplated in Section 6.5(b), (A) materially alter or impact the consideration which the CCAA Applicants and/or their applicable stakeholders will benefit from as part of the Transactions, or (B) have adverse tax consequences, or impose any Liability on, the remaining CCAA Applicants, the Monitor or any director of the Company in each case that is greater than the amount of such tax consequences or Liability in the absence of such action.
- (d) This Agreement (including the Closing Sequence) will be amended and restated as required to give effect to a Pre-Closing Reorganization. Additionally, the Buyer may, on written notice to the Seller, determine to acquire the CPL Canada shares in exchange for the Share Purchase Consideration and the Parties shall amend and restate this Agreement to reflect such change if such notice is provided; provided that the Parties shall use reasonable best efforts to structure such amendment to the Transaction for the purchase of the CPL Canada shares in a manner that does not give rise to any Liability of any director of the Company or the Monitor in respect of any Company Taxes. If the Buyer requires a Pre-Closing Reorganization, provided that Buyer has first waived the conditions in Sections 5.1(a), 5.1(d) and 5.1(g), the Buyer may, in its sole and absolute discretion, extend the Outside Date by up to 21 days by providing written notice to the Seller and Monitor.

6.6 Further Assurances

Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Parties hereto may reasonably require from time to time for the purpose of giving effect to this Agreement and shall use commercially reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent the provisions of this Agreement. Upon and subject to the terms and conditions of this Agreement and subject to the directions of any applicable courts to the Seller, the Parties shall use their commercially reasonable efforts to take or cause to be taken all actions and to do or cause to be done all things necessary, proper or advisable under Applicable Laws to consummate and make

effective the Transaction, including using commercially reasonable efforts to satisfy the conditions precedent to the obligations of the Parties hereto.

6.7 Fees and Expenses

Except as expressly provided in this Agreement, all fees and expenses incurred in connection with the negotiation and settlement of this Agreement and the completion of the Transaction, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Person incurring such fees or expenses.

6.8 Advice and Direction

The Parties acknowledge that the Monitor is entitled (but not required) to seek the advice and directions of the Court in respect of any determination to be made, consent right to be exercised or other action to be taken by the Monitor under this Agreement.

6.9 Release by the Buyer

Except in connection with any obligations of the Company contained in this Agreement, any Closing Document or the Court Orders, or to the extent otherwise settled under the Transaction, effective as of the Closing Time, Buyer and its Affiliates (including the Company) hereby irrevocably release and forever discharge the Seller, the Monitor, the respective lender parties of the Credit Facilities, and each of their respective Affiliates, and each of their respective successors and assigns, and all current and former officers, directors, partners, members, shareholders, limited partners, employees, agents, representatives and advisors (including financial and legal advisors) of each of them (the “**Company Released Parties**”), whether in this jurisdiction or any other, whether or not presently known to them or to the law, and whether in law or equity, of and from, and hereby unconditionally and irrevocably waives, any and all Released Claims that the Buyer and its Affiliates (including the Company) ever had, now has or ever may have or claim to have against any of the Company Released Parties in their capacity as such, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever arising prior to the Closing Time (including, where applicable, in their capacity as equity holders of the Company), save and except for any Claims arising out of fraud or willful misconduct.

6.10 Release by the Company

Except in connection with the obligations of the Buyer contained in this Agreement, any Closing Documents or the Court Orders or the obligations of the Investors under the Equity Commitment Letter, or to the extent otherwise settled under the Transaction, effective as of the Closing Time, the Company and its Affiliates (including ResidualCo) hereby irrevocably release and forever discharge the Buyer, the Monitor, the respective lender parties of the Credit Facilities, and each of their respective Affiliates, and each of their respective successors and assigns, and all current and former officers, directors, partners, members, shareholders, limited partners, employees, agents, representatives and advisors (including financial and legal advisors) of each of them (the “**Buyer Released Parties**”), whether in this jurisdiction or any other, whether or not presently known to them or to the

law, and whether in law or equity, of and from, and hereby unconditionally and irrevocably waives, any and all Released Claims that the Company and its Affiliates (including ResidualCo) ever had, now has or ever may have or claim to have against any of the Buyer Released Parties in their capacity as such, for or by reason of any matter, circumstance, event, action, inaction, omission, cause or thing whatsoever arising prior to the Closing Time, save and except for any Claims arising out of fraud or willful misconduct.

6.11 Conflict Waiver; Solicitor Client Privilege

- (a) Each of the Parties acknowledges and agrees, on its own behalf and on behalf of its directors, members, shareholders, partners, officers, employees and Affiliates, that:
 - (i) Goodmans LLP has acted as counsel to the Seller and its Affiliates (not including the Company) (collectively, the “**Seller Group**”) and the Company, in connection with the negotiation, preparation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby. The Buyer agrees, and shall cause the Company to agree, that, following consummation of the transactions contemplated hereby, such representation and any prior representation of the Company by Goodmans LLP (or any successor) (the “**Seller Group Law Firm**”) shall not preclude Seller Group Law Firm from serving as counsel to the Seller Group or any director, member, shareholder, partner, officer, or employee of the Seller Group, in connection with any litigation, claim, or obligation arising out of or relating to this Agreement or the transactions contemplated hereby.
 - (ii) The Buyer shall not, and shall cause each Company not to, seek or have Seller Group Law Firm disqualified from any such representation based on the prior representation of the Company by Seller Group Law Firm. Each of the Parties hereby consents thereto and waives any conflict of interest arising from such prior representation, and each of such Parties shall cause any of its Affiliates to consent to waive any conflict of interest arising from such representation. Each of the Parties acknowledges that such consent and waiver is voluntary, that it has been carefully considered, and that the parties have consulted with counsel or have been advised they should do so in connection herewith. The covenants, consent and waiver contained in this Section 6.11(a) shall not be deemed exclusive of any other rights to which Seller Group Law Firm is entitled whether pursuant to law, contract, or otherwise.
- (b) All communications prior to Closing between the Seller Group or the Company, on the one hand, and Seller Group Law Firm, on the other hand, relating to the negotiation, preparation, execution and delivery of this Agreement and the consummation of the transactions contemplated hereby (the “**Privileged Communications**”) shall be deemed to be solicitor-client privileged and the expectation of client confidence relating thereto shall survive Closing, and from and after Closing shall belong solely to the Seller Group and shall not pass to or be

claimed by the Buyer or any Company. Accordingly, the Buyer and the Company shall not have access to any Privileged Communications or to the files of Seller Group Law Firm relating to such engagement from and after Closing. Without limiting the generality of the foregoing, from and after the Closing, (i) the Seller Group (and not the Buyer or any Company) shall be the sole holders of the solicitor-client privilege with respect to such engagement, and none of the Buyer or any Company shall be a holder thereof, (ii) to the extent that files of Seller Group Law Firm in respect of such engagement constitute property of the client, only the Seller Group (and not the Buyer or any Company) shall hold such property rights and (iii) Seller Group Law Firm shall have no duty whatsoever to reveal or disclose any such Privileged Communications or files in respect thereof to the Buyer or any Company by reason of any solicitor-client relationship between Seller Group Law Firm and the Company or otherwise. Notwithstanding the foregoing, in the event that after Closing a dispute arises between the Buyer or its Affiliates (including the Company), on the one hand, and a third party other than any of the Seller Group, on the other hand, the Buyer and its Affiliates (including the Company) may assert the solicitor-client privilege to prevent disclosure of any Privileged Communications to such third party; provided, however, that neither the Buyer nor any of its Affiliates (including the Company) may waive such privilege in respect of any Privileged Communications (if asserted in accordance with the prior sentence) without the prior written consent of the Seller Group, which consent shall not be unreasonably withheld, conditioned or delayed. In the event that the Buyer or any of its Affiliates (including the Company) is legally required by Governmental Order or otherwise legally required to access or obtain a copy of all or a portion of the Privileged Communications, to the extent (x) permitted by Applicable Law, and (y) advisable upon advice of the Buyer's counsel, then the Buyer shall immediately (and, in any event, within five Business Days) notify the Seller in writing so that the Seller can seek a protective order. In furtherance of the foregoing, each of the Parties agrees that (i) no waiver is intended by failing to remove all Privileged Communications from the Company's files and computer systems, and (ii) after Closing the Parties will use commercially reasonable efforts to take the steps necessary to ensure the Privileged Communications are held and controlled by the Seller Group. The Buyer agrees that after Closing none of the Buyer, the Company, or their Affiliates will, directly or indirectly, use, disclose or assert the Privileged Communications in any action, litigation, claim, or dispute against or involving the Seller Group.

- (c) This Section 6.11 is intended for the benefit of, and shall be enforceable by, Seller Group.

6.12 Terminated Employee Fund

Subject to the Company obtaining the Terminated Employee Fund Order, the Buyer shall pay to the Monitor, by wire transfer of immediately available funds, an amount equal to the Terminated Employee Fund and the Monitor will establish, or cause to be established, the Terminated Employee Fund on the Closing Date, to be held in escrow and distributed in accordance with the provisions of the Terminated Employee Fund Escrow Agreement.

Any residual balance in the Terminated Employee Fund after the final distribution amounts from the Terminated Employee Fund shall be an asset of and owned by the Buyer, and shall be distributed to Buyer as specified in the Terminated Employee Fund Escrow Agreement. The Seller shall cooperate with the escrow agent of the Terminated Employee Fund and use commercially reasonable efforts to assist it in carrying out its duties under the Terminated Employee Fund Escrow Agreement.

ARTICLE 7 COURT ORDERS

7.1 Court Orders

- (a) The Seller shall serve and file a motion with the Court seeking the issuance of the Court Orders.
- (b) From and after the date of this Agreement and until the Closing Date, the Seller shall, and shall cause the Company to, deliver to counsel to the Buyer drafts of any and all pleadings, motions, notices, statements, applications, schedules, reports, and other papers to be filed or submitted by the Company in connection with or related to this Agreement, for the Buyer's prior review at least two (2) Business Days in advance of service and filing of such materials (or where circumstances make it impracticable to allow for two (2) Business Days' review, with as much opportunity for review and comment as is practically possible in the circumstances). The Company acknowledges and agrees (i) that any such pleadings, motions, notices, statements, applications, schedules, or other papers in respect of the Court Orders (other than reports of the Monitor) shall be in form and substance satisfactory to the Buyer, acting reasonably, and (ii) to consult and cooperate with the Buyer regarding any discovery, examinations and hearing in respect of any of the foregoing, including the submission of any evidence, including witnesses testimony, in connection with such hearing.
- (c) The Buyer shall cooperate with the Seller acting reasonably, as may be reasonably necessary, in seeking to obtain the Court Orders, including providing such evidence of financial wherewithal for the Company to perform the Assumed Liabilities as and when due as may be reasonably requested by the Seller or Monitor or required by the Court.
- (d) The Seller shall use its reasonable best efforts to obtain the Court Orders as soon as practicable. Buyer acknowledges that Court time has been scheduled for April 12, 2024.
- (e) Notice of the motions seeking the issuance and entry of the Court Orders shall be served by the Seller on the service list for the CCAA Proceedings prepared by the CCAA Applicants and reviewed by the Monitor, and any other Person as may be reasonably requested in writing by the Buyer.

ARTICLE 8 TERMINATION

8.1 Termination

This Agreement may be terminated at any time prior to Closing as follows:

- (a) by either Party if Closing does not occur on or before the Outside Date; provided, however, that the Party seeking to terminate this Agreement may not terminate pursuant to this Section 8.1(a) if the Closing's non-occurrence on or before the Outside Date is caused by such Party's failure to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it before the Closing Date;
- (b) subject to any approvals required from the Court or otherwise pursuant to the CCAA Proceedings, and with the consent of the Monitor, by mutual written consent of the Seller and the Buyer;
- (c) by either Party, upon written notice to the other, if a Governmental Authority issues an order prohibiting the Transaction contemplated hereby, which order shall have become a Final Order;
- (d) by the Seller upon written notice to the Buyer and with the consent of the Monitor, if there has been a material violation or breach by the Buyer of any covenant, representation or warranty which would prevent the satisfaction of any condition set forth in Section 5.2 on or before the Outside Date and such violation or breach has not been waived by the Seller or cured within ten (10) days after written notice thereof from the Seller, unless a Seller is in material breach of its obligations under this Agreement;
- (e) by the Buyer upon written notice to the Seller, if there has been a material violation or breach by a Seller of any covenant, representation or warranty which would prevent the satisfaction of any condition set forth in Section 5.1 on the Closing Date and such violation or breach has not been waived by the Buyer or cured within ten (10) days after written notice thereof from the Buyer, unless the Buyer is in material breach of its obligations under this Agreement;
- (f) by the Buyer or the Seller if the Court declines to grant the Approval and Vesting Order in respect of the Transaction; provided, however, that the Party seeking to terminate this Agreement may not terminate pursuant to this Section 8.1(f) if the Court's aforementioned non-approval of the Transaction is caused by such Party's failure to perform or comply with any of the covenants, agreements or conditions hereof to be performed or complied with before the Closing Date; and
- (g) by the Buyer upon written notice to the Seller if: (i) the Buyer determines that the condition in Section 5.1(a) will not be met; or (ii) the Company has not arranged a call between Buyer and each Identified Customer to be held prior to the Customer Deadline. The termination right in this Section 8.1(g) will terminate and be of no

further force or effect unless exercised by Buyer in writing by the Customer Deadline; and

- (h) by the Buyer if there occurs an event of default under the DIP Facility and the DIP Lender provides notice to the Company that it is accelerating payment of amounts owing by the Company under the DIP Facility.

8.2 Effect of Termination

- (a) In the event of termination of this Agreement pursuant to Section 8.1, this Agreement shall forthwith become null and void, except as set forth in this Section 8.2 and Article 10, provided that, subject to Section 8.2(b), nothing herein shall impair the right of any Party to compel specific performance by any other Party of its obligations under this Agreement prior to such termination or such obligations that expressly survive termination (including the Seller's right to compel specific performance of the Investors' obligations under the Equity Commitment Letter prior to the termination of the Agreement).
- (b) If this Agreement is terminated pursuant to Section 8.1 (other than Section 8.1(d)) the Deposit shall be returned to the Buyer together with any interest earned thereon within two (2) Business Days following the date of termination of this Agreement and the return of the Deposit plus any interest earned thereon shall be the sole and exclusive remedy of the Buyer in respect of such termination (including the actions, events, circumstances or otherwise giving rise to such termination) and the Buyer hereby expressly waives and renounces any other remedies whatsoever, whether at law or in equity, which the Buyer may or would otherwise be entitled to as against the Seller.
- (c) If this Agreement is terminated pursuant to Section 8.1(d), the Deposit together with any interest thereon shall be forfeited by the Buyer to, and become the sole property of, the Seller as liquidated damages and not as a penalty to compensate the Seller and the Company for the expenses incurred and opportunities foregone as a result of the failure to close the Transactions. Subject to Seller's right to seek specific performance under Section 8.2(a) prior to termination of this Agreement, the Seller agrees that the Deposit, plus any accrued interest, shall be the sole and exclusive remedy of the Seller in respect of any violation or breach by the Buyer of this Agreement and termination of the Agreement and the Seller hereby expressly waives and renounces any other remedies whatsoever, whether at law or in equity, which the Seller may or would otherwise be entitled to as against the Buyer. Without prejudice to the Seller's right to seek specific performance prior to termination of this Agreement, the Parties agree that the amount of the Deposit (plus all interest accrued thereon) constitutes a genuine pre-estimate of the Seller's liquidated damages as a result of the Closing not occurring. The Buyer hereby waives any claim or defence that the amount of the Deposit (plus all interest accrued thereon) is a penalty or is otherwise not a genuine pre-estimate of the Seller's liquidated damages.

ARTICLE 9 CLOSING

9.1 Location and Time of Closing

The Closing shall take place at the Closing Time on the Closing Date by means of an electronic closing, or such other place or fashion as may be agreed upon in writing by the Parties, in which the closing documentation will be delivered by email exchange of signature pages in PDF or functionally equivalent electronic format, which delivery will be effective without any further physical exchange of the originals or copies of the originals except as otherwise provided in this Agreement.

9.2 Closing Sequence

On the Closing Date, subject to the terms of the Approval and Vesting Order, Closing shall take place in the sequence set out in the Closing Sequence. The Buyer may, as a result of any Pre-Closing Reorganization or otherwise with the prior consent of the Company and the Monitor, acting reasonably, amend the Closing Sequence provided that such amendment to the Closing Sequence does not materially alter or impact the Transactions or the consideration which the Company and/or its applicable stakeholders will benefit from as part of the Transactions.

9.3 Closing Deliveries

- (a) At the Closing, the Seller shall deliver to the Buyer:
 - (i) the documents required to be delivered by it pursuant to Section 5.1;
 - (ii) share certificates representing the CPL Shares duly endorsed in blank for transfer, or accompanied by irrevocable stock transfer powers duly executed in blank, in either case, by the holder of record;
 - (iii) a certificate of status, compliance, good standing or like certificate with respect to each Company issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction; and
 - (iv) any other documents reasonably requested by the Buyer in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement (which would not expand the rights, remedies or Liabilities of any Party hereunder).

- (b) At the Closing, the Buyer shall deliver to the Seller:
 - (i) the documents required to be delivered by the Buyer pursuant to Section 5.2;
 - (ii) the payments required to be released and paid by the Buyer pursuant to Section 2.3(b);

- (iii) a certified copy of a resolution of the Buyer's board of directors authorizing the entering into of this Agreement;
- (iv) a certificate of status, compliance, good standing or like certificate with respect to the Buyer issued by the appropriate government official of its jurisdiction of incorporation, to the extent such certificate exists in such jurisdiction; and
- (v) any other documents reasonably requested by the Seller in order to effect or evidence the consummation of the Transaction or otherwise provided for under this Agreement (which would not expand the rights, remedies or Liabilities of any party hereunder).

9.4 Monitor's Certificate

The Parties hereby acknowledge and agree that the Monitor will be entitled to deliver the Monitor's Certificate to the Buyer and file the Monitor's Certificate with the Court without independent investigation upon: (i) receiving written confirmation from the Seller and the Buyer that all conditions to Closing set forth in Article 5 have been satisfied or waived; and (ii) receiving the entirety of the Closing Consideration and the Administrative Expense Reserve, and the Monitor will have no liability to the Seller or the Buyer or any other Person as a result of delivering and filing the Monitor's Certificate or otherwise in connection with this Agreement or the Transaction contemplated hereunder (whether based on contract, tort or any other theory).

9.5 Administrative Expense Reserve

On that date that is six (6) months following Closing or such later date as the Monitor shall determine in its sole discretion, any unused portion of the Administrative Expense Reserve after payment or reservation for all Administrative Expense Costs, as determined by the Monitor, shall be transferred by the Monitor to the Company.

ARTICLE 10 GENERAL MATTERS

10.1 Confidentiality

- (a) Except to the extent otherwise specifically provided in this Section 10.1, each Party, on behalf of itself and its Affiliates, agrees to keep the other Party's Confidential Information confidential and not to use the other Party's Confidential Information in any manner except as required to perform the obligations set out in this Agreement. Each Party agrees to be responsible for any breach of this Section 10.1 by any of its Affiliates and its and their respective directors, employees, advisors, agents and representatives.
- (b) Notwithstanding anything to the contrary herein, each Party maintains the right to disclose the other Party's Confidential Information if required to do so by Applicable Laws or requirement of a Governmental Authority, or to a Taxing

Authority in order to describe the Tax treatment and Tax structure of the Transaction; provided that the disclosure of such Confidential Information will be limited only to that purpose and provided further that it will use reasonable efforts to cooperate with the other Party in limiting the disclosure of the Confidential Information.

- (c) At the other Party's request, a Party will destroy all of the other Party's Confidential Information, provided that it is permitted to retain one copy of any Confidential Information to the extent required by Applicable Laws or its internal record-keeping policies.
- (d) Any Confidential Information of the Seller that constitutes part of the Business will cease to be Confidential Information of the Seller and will become Confidential Information of the Buyer on Closing.

10.2 Public Notices

No press release or other announcement concerning the Transaction shall be made by the Seller or by the Buyer without the prior consent of the other (such consent not to be unreasonably withheld); provided, however, that the Buyer may make a press release or other announcement concerning the Transaction after the Closing without the prior consent of the Seller and, further, any Party may, without such consent, make such disclosure if the same is required by Applicable Law (including the CCAA Proceedings) or by any court or securities commission or other similar regulatory authority having jurisdiction over such Party or any of its Affiliates, and, if such disclosure is required, the Party making such disclosure shall use commercially reasonable efforts to give prior oral or written notice to the other (including sharing a draft of any such proposed disclosure), and if such prior notice is not possible, to give such notice immediately following the making of such disclosure. Notwithstanding the foregoing: (i) this Agreement may be filed by the Seller with the Court and, in advance of it being publicly filed with the Court, provided to stakeholders of the Seller in the CCAA Proceedings who are subject to a confidentiality agreement; and (ii) the Transaction may be disclosed by the Seller to the Court, subject to redacting such confidential or sensitive information as may be agreed among the Parties and permitted by Applicable Laws. The Parties further agree that:

- (a) the Monitor may prepare and file reports and other documents with the Court containing references to the Transaction and the terms thereof; and
- (b) the Seller and their professional advisors may prepare and file such reports and other documents in the CCAA Proceedings containing references to the Transaction and the terms thereof as may reasonably be necessary to obtain Court approval to complete the Transaction or to comply with their obligations in connection therewith. Wherever possible, the Buyer shall be afforded an opportunity to review and comment on such materials prior to their filing.

10.3 Survival

The representations and warranties of the Seller in this Agreement or in any agreement, document or certificate delivered pursuant to or in connection with this Agreement or the Transaction are set forth solely for the purpose of Section 5.1 and none of them shall survive Closing. The Seller shall have no liability, whether before or after the Closing, for any breach of any Seller's representations or warranties, and the Buyer acknowledges that its exclusive remedy for any such breach shall be termination of this Agreement prior to the Closing (but only if permitted by Section 8.1). None of the Seller's covenants contained in Article 7 to be performed on or prior to the Closing shall survive the Closing. The Parties' respective covenants and agreements set forth herein that by their specific terms contemplate performance after Closing, shall survive the Closing indefinitely unless otherwise set forth herein. For the avoidance of doubt, the Parties' respective covenants and agreements set forth in Sections 6.9 and 6.10 shall survive the Closing indefinitely.

10.4 Non-Recourse

No past, present or future director, officer, employee, incorporator, member, partner, shareholder, Affiliate, agent, advisor or representative of the respective Parties hereto (the "**Non-Recourse Persons**"), in such capacity, shall have any liability for any representations, warranties, obligations or liabilities of the Buyer or the Seller, as applicable, under this Agreement or for any claim based on, in respect of, or by reason of the Transaction.

10.5 Assignment; Binding Effect

The Seller may not assign its right or benefits under this Agreement without the consent of the other Party hereto. Prior to Closing, the Buyer may assign, upon written notice to the Seller, all or any portion of its rights and obligations under this Agreement to an Affiliate provided that such Affiliate is capable of making the same representations and warranties herein and completing the Transactions by the Outside Date. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns. Nothing in this Agreement shall create or be deemed to create any third Person beneficiary rights in any Person or entity not a Party to this Agreement other than the Monitor and the express third party beneficiaries of Sections 6.9, 6.10 and 10.4 hereof. No assignment or delegation shall relieve the assigning or delegating party of any of its obligations hereunder. The Buyer shall remain jointly and severally liable with all assignees and delegates for its obligations herein up to the Closing.

10.6 Notices

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Agreement will be in writing and will be effective and deemed given under this Agreement on the earliest of: (i) the date of personal delivery; (ii) the date of transmission by email (if sent during normal business hours of the recipient, if not, then on the next Business Day); (iii) two (2) days after deposit with a nationally-recognized courier or overnight service such as Federal Express; or (iv) five (5) days after

mailing via certified mail, return receipt requested. All notices not delivered personally or by email will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

(a) If to the Buyer at:

AIP Elixir Buyer Inc.
c/o Aterian Investment Partners IV, LP
550 Fifth Avenue, 8th Floor
New York, NY 10036

Attention: Christopher H. Thomas / Jay Taunk
Email: cthomas@aterianpartners.com / jtaunk@aterianpartners.com

with copies (which shall not in itself constitute notice) to:

Osler, Hoskin & Harcourt LLP
First Canadian Place
100 King St. W Suite 6200
Toronto, Ont M5X 1B8

Attention: Marc Wasserman / Tracy Sandler / Justin Sherman

E-mail: mwasserman@osler.com / tsandler@osler.com /
jsherman@osler.com

and

Kirkland & Ellis LLP
300 N La Salle Dr
Chicago, IL 60654, United States

Attention: Adam M. Wexner, P.C. / Steve Toth

E-mail: adam.wexner@kirkland.com / steve.toth@kirkland.com

(b) If to the Seller at:

7600 Danbro Crescent
Mississauga, Ontario L5N 6L6

Attention: Jan Sahai
Email: jsahai@cplltd.com

with copies (which shall not in itself constitute notice) to:

Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400

Toronto, Ontario
M5H 2S7

Attention: Chris Armstrong/Erik Axell/Jennifer Linde
Email: carmstrong@goodmans.ca/eaxell@goodmans.ca/jlinde@goodmans.ca

(c) If to the Monitor at:

220 Bay Street, 13th Floor
PO Box 20
Toronto, ON M5J 2W4

Attention: Noah Goldstein/Ross Graham
Email: ngoldstein@ksvadvisory.com/rgraham@ksvadvisory.com

with copies (which shall not in itself constitute notice) to:

Cassels, Brock & Blackwell LLP
Bay Adelaide Centre
40 Temperance Street, Suite 3200
Toronto, ON M5H 0B4

Attention: Ryan C. Jacobs/Joseph Bellissimo
Email: rjacobs@cassels.com/jbellissimo@cassels.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

10.7 Third Party Beneficiaries

Except with respect to: (i) the Monitor as expressly set forth in this Agreement or ResidualCo as it relates to all rights, covenants, obligations and benefits in favour of the Company under this Agreement that survive Closing and are transferred to ResidualCo as an Excluded Liability at the Closing (ii) the Non-Recourse Persons pursuant to Section 10.4; (iii) the Company Released Parties pursuant to Section 6.9; (iv) the Buyer Released Parties pursuant to Section 6.10 and (v) ResidualCo as it relates to all rights, covenants, obligations and benefits in favour of the Company under this Agreement that survive Closing and are transferred to ResidualCo as an Excluded Asset at the Closing, this Agreement is for the sole benefit of the Parties, and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

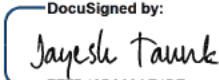
10.8 Counterparts; Signatures

This Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one

and the same instrument. Execution of this Agreement by any of the Parties hereto may be evidenced by scanned e-mail or internet transmission copy of this Agreement bearing such signature which, for all purposes, shall be deemed to be an original signature.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

AIP ELIXIR BUYER INC.

By:  _____
Name: Jayesh Taunk
Title: Director

CONTRACT PHARMACEUTICALS LIMITED

By: _____
Name: Jan Sahai
Title: Officer

IN WITNESS WHEREOF the Parties hereto have executed this Agreement as of the date first written above.

AIP ELIXIR BUYER INC.

By: _____
Name: Jayesh Taunk
Title: Director

CONTRACT PHARMACEUTICALS LIMITED

By: _____ *Jan Sahai*
Name: Jan Sahai
Title: Officer

Signed by: Jan Sahai
CEO
Date & Time: March 29, 2024 22:12:11 EDT

SCHEDULE A**ASSUMED LIABILITIES**

1. GST/HST liabilities of \$627,474.15 for the period ending December 15, 2023, as detailed in a letter to the Monitor dated February 6, 2024, and accrued and unpaid GST/HST liabilities, if any, for the period from December 15, 2023, through the Closing.
2. Customer rebate obligations owing to Endo Pharmaceuticals or its affiliates totalling approximately US\$201,584.88.

SCHEDULE B

ENCUMBRANCES TO BE DISCHARGED

- (a) All Encumbrances under the DIP Facility
- (b) All Encumbrances under the RBC Facility and RBC Security Agreement
- (c) All Encumbrances under the Deerfield Facility and Deerfield Security Agreement
- (d) All Encumbrances under the EDC Facility and EDC Security Agreement

SCHEDULE C
EXCLUDED ASSETS

None.

SCHEDULE D**EXCLUDED CONTRACTS**

- (a) RBC Facility, RBC Security Agreement and RBC Intercreditor Agreement
- (a) Deerfield Facility, Deerfield Security Agreement and Deerfield Intercreditor Agreement
- (b) EDC Facility and EDC Security Agreement
- (c) The FedDev Facility
- (d) ANDA Sale and Assignment Agreement dated April 14, 2023 between Chartwell RX Sciences, LLC and Glasshouse Pharmaceuticals Limited Canada

SCHEDULE E**EXCLUDED LIABILITIES**

- (a) All Liabilities relating to or arising from the Retained Contracts, prior to the commencement of the CCAA Proceedings which are not Pre-Filing Stayed Unsecured Obligations or otherwise Post-Filing Trade Amounts payable under the Retained Contracts
- (b) Any and all Liabilities with regard to any litigation or other legal proceedings brought or initiated, or which could be brought or initiated, against the Company relating to or arising from any act, occurrence or circumstance existing at or before the Closing Date
- (c) Any and all Liabilities relating directly or indirectly, at Applicable Law, under contract or otherwise, to or arising from the Excluded Contracts or any assets or Contracts of Glasshouse Canada
- (d) Pre-petition Severance Amounts (which, for greater certainty, includes amounts for Claims relating to employment benefits and post-employment benefits for any Former Employee)
- (e) Claims under the FedDev Facility

SCHEDULE F**PERMITTED ENCUMBRANCES**

- (a) Encumbrances permitted in writing by the Buyer.
- (b) Encumbrances in respect of any Retained Contracts.
- (c) Any Claim or Encumbrance reserved to or vested in any Governmental Authority by the terms of any of the Permits and Licenses, including any requirement to terminate, to require annual or other periodic payments or any action, omission or other compliance obligation or requirement as a condition to the continuance, status or effectiveness thereof.

SCHEDULE G

RETAINED CONTRACTS

Leases

1. (i) Lease between Dundee Danbro Holdings Limited and CPL Canada dated April 7, 1999, respecting the property bearing municipal address 7600 Danbro Crescent, Mississauga, Ontario; (ii) Lease Amending Agreement between GE Canada Real Estate Equity Holding Company and CPL Canada dated March 5, 2012; (iii) letter of succession and Notice of Direction from Piret (Mississauga) Holdings Inc. to CPL Canada dated May 15, 2013; and (iv) Lease Amending Agreement between Piret and CPL Canada dated October 25, 2023.
2. Lease between Laurel Lynn investment Limited, Ben-Ted Construction Limited and CPL Canada dated October 8, 2012, respecting the property bearing municipal address 2145 Meadowpine Boulevard, Mississauga, Ontario; and (ii) Lease between GTA W21 Inc. and CPL Canada dated September 12, 2023.

Customer Contracts

3. Manufacturing and Supply Agreement between Novartis Consumer Health Canada Inc., as customer, and Contract Pharmaceuticals Limited Canada, as manufacturer and supplier, dated May 13, 2013, as amended.
4. Manufacture and Supply Agreement, between OptiNose US Inc., OptiNose UK Ltd., OptiNose AS, and on the other hand, Contract Pharmaceuticals Limited Canada, dated August 18, 2017, as renewed and amended.
5. Manufacture and Supply Agreement between Covis Pharma BmbH, as buyer, and Contracts Pharmaceuticals Limited Canada, as supplier, dated August 15, 2022.
6. Supply Agreement between Upsher-Smith Laboratories, Inc. and Contract Pharmaceuticals Limited Canada, dated May 1, 2012.
7. Manufacturing and Supply Agreement between Johnson & Johnson Healthcare Products Division of McNeil PPC, Inc., as customer and Contract Pharmaceuticals Limited Canada, as manufacturer, dated August 1, 2010.
8. Extension and Amendment to Johnson & Johnson Manufacturing and Supply Agreement, dated December 15, 2013.
9. Extension and Amendment of Johnson & Johnson Manufacturing and Supply Agreement, dated December 14, 2021.
10. Amendment to the Johnson & Johnson Manufacturing and Supply Agreement, dated January 1, 2021.

11. Development and Manufacture Agreement between Pfizer Inc, as customer and Contract Pharmaceuticals Limited Canada, dated December 16, 2021, as amended.
12. Master Scientific Services Agreement between Contract Pharmaceuticals Limited Canada, as provider and Pfizer Inc., as customer, dated April 13, 2021, as amended.
13. Commercial Supply Agreement between Incyte Biosciences International Sàrl, as customer, and Contract Pharmaceuticals Limited Canada, as supplier, dated April 28, 2023, as amended.
14. Toxicology Batches Manufacturing and In-Use Stability Testing of [REDACTED] Agreement between Contract Pharmaceuticals Limited Canada and Pfizer Inc., as customer, dated February 6, 2024.
15. Amended and Restated Supply Agreement between Contract Pharmaceuticals Limited Canada, and Actavis Mid Atlantic LLC, dated June 29, 2012, as amended.
16. Partial Assignment and Assumption to the Actavis Amended and Restated Supply Agreement, between Actavis Mid-Atlantic LLC, as assignor and Actavis Laboratories NY, Inc., as assignee, dated June 29, 2019.
17. Supply Agreement, between Valeant Pharmaceuticals North America, Maruho Co., Ltd., and Contract Pharmaceuticals Limited, dated February 1, 2011, as amended.
18. Manufacture and Supply Agreement between Valeant sp. z.o.o. s.p.j. and Contract Pharmaceuticals Limited Canada, dated March 10, 2015.
19. Manufacture and Supply Agreement between Valeant sp. z.o.o. sp.j and Contract Pharmaceuticals Limited Canada, dated as of January 1, 2015.
20. Manufacture and Supply Agreement between Valeant sp. z.o.o. s.p.j., as buyer, and Contract Pharmaceuticals Limited Canada, dated as of September 28, 2015.
21. Master Supply Agreement between Endo Ventures Limited, and Contract Pharmaceuticals Limited Canada, as supplier, dated March 1, 2016.

SCHEDULE H
CLOSING SEQUENCE

- (a) First, the Buyer shall pay the unpaid balance of the Closing Consideration (which does not include any amount of the Deposit and the interest accrued thereon) and the Administrative Expense Reserve to the Monitor, to be held in escrow by the Monitor, and the entire Closing Consideration shall be dealt with in accordance with this Closing Sequence with such payment (including the Deposit and any interest accrued thereon) constituting a loan from Buyer to CPL Canada Holdco;
- (b) Second, all Existing Equity (other than the CPL Shares and for greater certainty, shares of CPL Canada and Glasshouse Canada) as well as any agreement, contract, plan, indenture, deed, certificate, subscription rights, conversion rights, pre-emptive rights, options (including stock option or share purchase or equivalent plans), or other documents or instruments governing and/or having been created or granted in connection with the share capital of the Company shall be deemed terminated and cancelled for no consideration;
- (c) Third, the Company shall be deemed to transfer to ResidualCo the Excluded Assets and the Excluded Contracts for no consideration, pursuant to the Approval and Vesting Order;
- (d) Fourth, ResidualCo shall be deemed to assume the Excluded Liabilities from the Company for no consideration (and, for greater certainty, the assumption of the Excluded Liabilities will not be consideration for the Excluded Assets or Excluded Contracts), pursuant to the Approval and Vesting Order;
- (e) Fifth, the Company shall pay all Company-side advisors' expenses (including the Company's and Monitor's financial advisor and legal counsel fees), in each case from the Company's cash on hand, and the Monitor shall retain the Administrative Expense Reserve in a separate interest-bearing account;
- (f) Sixth, from the amounts provided by the Buyer referred to in (a) and the Deposit with the interest accrued thereon, if any (which will represent the Closing Consideration):
 - (i) the Monitor shall be directed to pay all Claims owing under the DIP Facility,
 - (ii) the Monitor shall be directed to pay all Claims owing under the RBC Facility,
 - (iii) the Monitor shall be directed to pay all Claims owing under the EDC Facility, and
 - (iv) the Monitor shall be directed to pay all Claims owing under the Deerfield Facility,

and to the extent such Claims are payable by CPL Canada or Glasshouse Canada, CPL Canada Holdco shall be deemed to have made an equity contribution in such amounts to CPL Canada and Glasshouse Canada, as applicable; and

- (g) Seventh, the CPL Shares shall be transferred to the Buyer, free and clear of all Encumbrances for the Share Purchase Price.

SCHEDULE I
FORM OF APPROVAL AND VESTING ORDER

(see attached)

SCHEDULE J

TERMINATED EMPLOYEE FUND TERMS

- Maximum Terminated Employee Fund amount of C\$500,000 (the “**Terminated Employee Fund Amount**”), provided that Buyer may in its sole discretion contribute, or direct an Affiliate to contribute, additional amounts.
- Monitor to administer Terminated Employee Fund, with no cost to the Terminated Employee Fund or the Buyer (associated costs to be funded from the Administrative Expense Reserve).
- Terminated Employee Fund to be used exclusively for payment to Terminated Employees of a hardship benefit up to a maximum amount that is equal to each Terminated Employee’s statutory termination pay, and if applicable, statutory severance pay under the *Ontario Employment Standards Act, 2000* (“**Hardship Benefit**”), with the Hardship Benefit subject to a potential pro rata reduction as described below.
 - If total Hardship Benefits payable to Terminated Employees are less than the Terminated Employee Fund Amount, the Monitor will return the balance of the Terminated Employee Fund Amount to the Buyer as soon as reasonably practicable following the Terminate Date (as defined below).
 - If total Hardship Benefits payable to Terminated Employees exceeds the Terminated Employee Fund Amount, Hardship Benefit payments to Terminated Employees will be pro-rated based on their relative Hardship Benefit amounts.
 - In no event will a Terminated Employee receive more than their calculated Hardship Benefit from the Terminated Employee Fund.
 - All Hardship Benefits will be calculated by the Monitor in good faith based on Terminated Employee information provided by the Company and such calculations shall be final and non-appealable.
 - All Hardship Benefit payments shall be subject to all applicable withholdings, taxes and deductions as may be required by law.
- Any and all Hardship Benefit payments to Terminated Employees from the Terminated Employee Fund will be made by no later than (i) 60 days after the Closing Date; and (ii) the date that is 15 days following the Escrow Agent obtaining clearance from Employment and Social Development Canada to make all Hardship Benefit payments hereunder, and any amounts remaining in the Terminated Employee Fund after such date will be paid to Buyer or its designate within three Business Days following such date. Hardship Benefit payments shall be conditional on Terminated Employees executing a full and irrevocable release in favour of the Seller, Company, Buyer, Monitor and each of their respective affiliates, directors, officers, employees, agents and representatives in a form satisfactory to the Buyer.

- If clearance from Employment and Social Development Canada is not obtained within 120 days following the Closing Date (or such later date agreed to in writing by the Buyer and the Monitor, each in its sole discretion), then the entire Terminated Employee Fund shall be repaid to the Buyer promptly and no Terminated Employee shall be entitled to any Hardship Benefit.
- Terminated Employee Funder Order and Terminated Employee Fund Escrow Agreement to provide that Buyer and Monitor shall not be a successor or related employer, or otherwise liable in any way, in respect of Terminated Employees.

SCHEDULE K
TERMINATED EMPLOYEE FUND ORDER

1389-0481-4603

Appendix “B”

TERMINATED EMPLOYEE FUND ESCROW AGREEMENT

THIS ESCROW AGREEMENT dated the [●] day of [●], 2024.

BETWEEN:

AIP ELIXIR BUYER INC.

(“**Depositor**”)

- and -

KSV RESTRUCTURING INC. solely in its capacity as Monitor of Contract Pharmaceuticals Limited *et al.* and not in its personal or corporate capacity

(“**Escrow Agent**”)

WHEREAS:

- A. The Applicants (as defined below) have commenced proceedings under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”) before the Ontario Superior Court of Justice (Commercial List) (the “**CCAA Court**”).
- B. KSV Restructuring Inc. (“**KSV**”) was appointed as monitor (in such capacity, the “**Monitor**”) of the Applicants by the CCAA Court.
- C. Pursuant to the sale and investment solicitation process approved by the CCAA Court on December 22, 2023, Depositor and Contract Pharmaceuticals Limited entered into a share purchase agreement made as of March [●], 2024 (as may be amended, the “**Sale Agreement**”) whereby Depositor, an affiliate of Aterian Investment Partners IV, LP, has agreed to purchase all of the issued and outstanding shares in the capital of CPL Canada Holdco Limited (the “**Transaction**”).
- D. In accordance with the terms of the Sale Agreement, Depositor has agreed to fund to Escrow Agent an amount equal to CAD \$500,000¹ (the “**Terminated Employee Fund Amount**”), and, in accordance with this Escrow Agreement and the Terminated Employee Fund Order (as defined below), Escrow Agent will establish a fund (the “**Terminated Employee Fund**”) for the benefit of the Terminated Employees (as defined in the Sale Agreement). The Terminated Employee Fund is intended to provide financial assistance to such Terminated Employees on a gratuitous, without prejudice basis, subject to the limitations set forth and in accordance with the terms and conditions of this Escrow Agreement.

¹ **NTD:** This amount may be updated before signing if Buyer determines, in its sole and absolute discretion, to increase the fund.

- E. Pursuant to the Terminated Employee Fund Order granted on [April 12, 2024] (the “**Terminated Employee Fund Order**”), the Monitor was appointed to act as Escrow Agent for the purposes of this Escrow Agreement in accordance with the terms and conditions contained herein and the Terminated Employee Fund Order.

NOW THEREFORE in consideration of the foregoing and the mutual agreements contained herein (the receipt and adequacy of which are acknowledged), it is agreed and declared as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Where used in this Escrow Agreement, including in the Recitals, the following terms shall have the following meanings:

“**Administrative Expense Reserve**” has the meaning ascribed to such term in the Sale Agreement as of the date of this Escrow Agreement, which for greater certainty shall be in the amount of \$750,000.

“**Applicants**” means Contract Pharmaceuticals Limited, CPL Canada Holdco Limited, Contract Pharmaceuticals Limited Canada, Glasshouse Pharmaceuticals Limited Canada and Glasshouse Pharmaceuticals LLC.

“**Application Form**” has the meaning ascribed to such term in Section 2.1(b).

“**Business Day**” means any day, other than a Saturday or Sunday, on which the principal commercial banks in Toronto, Ontario and New York, New York are open for commercial banking business during normal banking hours.

“**CCAA**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**CCAA Court**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Claim**” means any and all actual or threatened claims, actions, suits, applications, litigation, charges, complaints, prosecutions, assessments, reassessments, investigations, inquiries, hearings and other proceedings, whether civil, criminal, administrative, regulatory, arbitral or otherwise.

“**Closing Date**” means the date on which the transactions contemplated in the Sale Agreement close, being the date hereof.

“**Depositor**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Escrow Agent**” means KSV solely in its capacity as Monitor and not in its personal or corporate capacity.

“**Escrow Agent Fees and Expenses**” has the meaning ascribed to such term in Section 5.1.

“**Escrow Agent Indemnified Parties**” has the meaning ascribed to such term in Section 5.6.

“**Escrow Agreement**” means this Escrow Agreement, as amended or supplemented from time to time pursuant to the terms hereof established for the benefit of the Terminated Employees.

“**Governmental Authority**” means any applicable transnational, federal, provincial, municipal, state, local, national or other government, regulatory authority, governmental department, agency, commission, board, tribunal, bureau, ministry, court, system operator, judicial body, arbitral body or other law, rule or regulation-making entity, or any entity, officer, inspector, investigator or examiner exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to any government or any court, or exercising or entitled to exercise any administrative, judicial, legislative, regulatory or taxing authority or power.

“**Hardship Benefit**” has the meaning ascribed to such term in Section 2.1(c).

“**Hardship Benefit Application Deadline**” means 5:00 pm (Toronto Time) on the date that is 40 days after the Closing Date.

“**Hardship Benefit Determination Date**” means the later of (i) 60 days after the Closing Date and (ii) the date that is 15 days following the Escrow Agent obtaining clearance from Employment and Social Development Canada to make all Hardship Benefit payments hereunder.

“**KSV**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Law**” or “**Laws**” means applicable laws of any transnational, domestic or foreign, federal, provincial, territorial, state, local or municipal (or any subdivision of any of them) law (including common law and civil law), statute, ordinance, rule, regulation, restriction, limit, by-law (zoning or otherwise), judgment, order, direction or any consent, exemption, governmental authorizations, or any other legal requirements of, or agreements with, any Governmental Authority, that applies in whole or in part to the transactions contemplated by this Escrow Agreement.

“**Monitor**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Party**” or “**Parties**” means individually or collectively, as the case may be, Depositor and Escrow Agent.

“**Paying Agent**” has the meaning ascribed to such term in Section 2.2(b).

“**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 personal representative, Governmental Authority or other entity, however designated or constituted.

“**Residual Balance**” has the meaning ascribed to such term in Section 7.1.

“**Sale Agreement**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Scheduled Canadian Bank**” means a bank listed on Schedule I of the *Bank Act* (Canada).

“**Terminated Employee**” has the meaning ascribed to such term in the Sale Agreement.

“**Terminated Employee Fund**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Terminated Employee Fund Amount**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Terminated Employee Fund Order**” has the meaning ascribed to such term in the Recitals to this Escrow Agreement.

“**Terminated Employees List**” has the meaning ascribed to such term in the Section 2.1(a).

1.2 Headings, etc.

The provision of a table of contents, the division of this Escrow Agreement into articles and sections and the insertion of headings are for convenient reference only and are not to affect the interpretation of this Escrow Agreement.

1.3 Articles; Sections; etc.

Reference to articles, sections or other parts of this Escrow Agreement are to the specified article, section or part.

1.4 Gender; Singular/Plural

References to gender include all genders and, except where the context otherwise requires, the singular includes the plural and vice versa.

1.5 Certain Phrases, etc.

In this Escrow Agreement, unless otherwise expressly stated (a) the words “including” and “includes” mean “including (or includes) without limitation”, (b) in the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including” and the words “to” and “until” each mean “to but excluding”, and (c) the words “hereafter”, “hereby”, “herein”, “hereof”, “hereunder” and “herewith” refer to the entire Agreement, not just a particular article or section.

1.6 Business Day

Any action or payment required or permitted to be taken or made hereunder on a day which is not a Business Day may be taken or made on the next succeeding Business Day.

1.7 Recitals

The Recitals to this Escrow Agreement are true and correct.

ARTICLE 2
PAYMENT OF TERMINATED EMPLOYEE HARDSHIP BENEFITS

2.1 Procedure

- (a) The Depositor will provide a list of Terminated Employees to the Escrow Agent (which shall be the Terminated Employees as defined in the Sale Agreement), and the Escrow Agent will supplement such list with additional information provided by Contract Pharmaceuticals Limited Canada, including the name, direct-deposit banking information, mailing and email address (to the extent available) of the Terminated Employees, as may be necessary to discharge its duties hereunder (together, the “**Terminated Employees List**”). The Escrow Agent shall provide the final Terminated Employees List (without direct-deposit banking information or mailing and email addresses) to the Depositor. In no event shall any individuals be added or subtracted from the Terminated Employees List, other than by the Depositor in accordance with the Sale Agreement.
- (b) The Terminated Employee Fund Order established an application process, which requires Terminated Employees to (i) submit a completed application form (which shall include the necessary information for the processing of payments of the Hardship Benefits) (the “**Application Form**”) substantially in the form attached hereto as Exhibit “A” and (ii) execute a release and discharge of Claims substantially in the form appended hereto as Exhibit “B” (the “**Terminated Employee Release Agreement**”). As soon as reasonably practicable and in any event no longer than 10 days after the Closing Date, the Escrow Agent shall send a copy of the Application Form and the form of Terminated Employment Release Agreement to each Terminated Employee, which may be sent by email, regular mail or courier, in the Escrow Agent’s sole discretion. For purposes of clarity and subject to Section 2.1(a), Escrow Agent’s role in the application process as described in this Section 2.1(b) will be limited to confirming that each Terminated Employee applying for a Hardship Benefit has submitted a properly completed Application Form and executed and delivered a Terminated Employee Release Agreement. The Escrow Agent shall be entitled to rely on the information, as provided by Contract Pharmaceuticals Limited Canada, set forth on the Terminated Employees List.
- (c) Each Terminated Employee who delivers a duly completed Application Form and an executed Terminated Employee Release Agreement to Escrow Agent on or before the Hardship Benefit Application Deadline shall be entitled to receive a hardship benefit up to a maximum amount that is equal to the minimum applicable statutory termination pay, and if applicable, statutory severance pay owing to such Terminated Employee under the *Ontario Employment Standards Act, 2000* (the “**Hardship Benefit**”), subject to a potential *pro rata* reduction as described below. If total Hardship Benefits payable to all Terminated Employees is less than the Terminated Employee Fund Amount, the amount of the Hardship Benefit for each Terminated Employee will be payable in full to each such Terminated Employee. If total Hardship Benefits payable to all Terminated Employees exceeds the Terminated Employee Fund Amount, Hardship Benefit payments to Terminated

Employees will be pro-rated based on their relative Hardship Benefit amounts as a percentage of the total Terminated Employee Fund Amount and the amount of the Hardship Benefit payable to each Terminated Employee will be reduced accordingly.

- (d) The Hardship Benefit payable to each Terminated Employee shall be calculated by the Escrow Agent in good faith solely based on Terminated Employee information provided by Contract Pharmaceuticals Limited Canada within two Business Days following the Closing Date (which Depositor shall have had a reasonable opportunity to review and comment on) and such calculations shall be final, binding and non-appealable. In no event will a Terminated Employee receive more than their calculated Hardship Benefit from the Terminated Employee Fund.
- (e) The Hardship Benefit payable to each Terminated Employee shall be subject to all applicable withholdings, taxes and deductions, as may be required by Law. Under no circumstances may a Terminated Employee transfer his or her entitlement to a Hardship Benefit to another Person. For the avoidance of doubt, the Hardship Benefit is a gratuitous payment and shall not be paid, or deemed to be paid, in exchange for services rendered or as the result of employment or the termination thereof.
- (f) Buyer and Monitor and each of their respective assignees and affiliates shall not be deemed to be an employer or a common, related, or successor employer of any Terminated Employee as a result of funding the Terminated Employee Fund Amount or otherwise liable as a result of any other matter pertaining to the Escrow Agreement.

2.2 Payment of Hardship Benefit to Terminated Employees

- (a) As soon as reasonably practicable following the Hardship Benefit Determination Date, the Escrow Agent shall cause the Hardship Benefit payments calculated and determined in accordance with Section 2.1, net of all applicable withholdings, taxes and deductions as may be required by Law, to be paid to each Terminated Employee who has complied with Section 2.1(c) hereof.
- (b) At the sole discretion of the Escrow Agent (but following consultation with the Depositor and Contract Pharmaceuticals Limited Canada), each Hardship Benefit payable to a Terminated Employee pursuant to this Section 2.2 may be delivered by or at the direction of Escrow Agent to an entity designated by Depositor and acceptable to the Escrow Agent (which may include a services company engaged by Depositor or an affiliate thereof) (the “**Paying Agent**”), and the Paying Agent shall be responsible for processing, or causing to be processed, all amounts received hereunder, including (i) withholding, deducting and remitting any authorized or required withholdings, taxes and deductions to Government Authorities or other third-parties from the Hardship Benefit, in each case as may be required by Law, and (ii) paying the net Hardship Benefit amount to the Terminated Employees. Where applicable, the Paying Agent shall also provide the Terminated Employees with slips or other prescribed tax documents in accordance with its customary

practices showing the amounts that were withheld or deducted pursuant to this Section and as may be required by Law. Where applicable, the determination of the applicable withholdings, taxes and deductions required by Law with respect to the Hardship Benefit, in each case, shall be made by the Paying Agent, in consultation with Escrow Agent, and both the Paying Agent and Escrow Agent shall be entitled to rely on the books and records and the custom and past practice of the Applicants to the extent applicable and, for the avoidance of doubt, shall have no responsibility or liability of any kind for any failure to correctly withhold or pay such applicable withholdings, taxes and deductions except to extent the failure is attributable to gross negligence or wilful misconduct.

ARTICLE 3 THE ESCROW ACCOUNT

3.1 Creation of Escrow Account

Depositor shall, on the Closing Date, remit to the Escrow Agent the Terminated Employee Fund Amount with Escrow Agent. Escrow Agent accepts and agrees to hold the Terminated Employee Fund Amount as provided for in, and subject to and in accordance with the terms of this Escrow Agreement and the Terminated Employee Fund Order. Escrow Agent agrees to distribute and deal with the Terminated Employee Fund Amount, and at all times agrees to keep the Terminated Employee Fund Amount segregated from the property and assets of Escrow Agent and any other account of which Escrow Agent may serve as escrow agent, trustee or custodian, and in one or more segregated accounts, on the terms and subject to the conditions hereof.

3.2 Escrowed Funds

The Terminated Employee Fund Amount shall not, prior to the Hardship Benefit Determination Date, revert to or be applied for the benefit of Depositor but shall be applied for the exclusive benefit of the Terminated Employees in accordance with the terms hereof.

3.3 Escrow Account

Pending disbursement of the Terminated Employee Fund Amount in accordance with the terms hereof, the Escrow Agent shall hold the Terminated Employee Fund Amount in an-interest bearing account, with interest accruing to the benefit of, and to be paid to, the Depositor.

ARTICLE 4 ADDITIONAL COVENANTS

4.1 No Escrow Agent Liability for Insufficient Funds

Escrow Agent shall not be liable to any Person (including any Terminated Employee or Depositor) in the event that the Terminated Employee Fund Amount is insufficient to pay in full or in part the Hardship Benefits to the Terminated Employees.

4.2 No Additional Contributions from Depositor/No Liability for Depositor

For the avoidance of doubt, notwithstanding any other provision of this Escrow Agreement to the contrary, except for the Terminated Employee Fund Amount, Depositor shall not, under any circumstance, be under any obligation to provide or contribute any money, property or value hereunder for the benefit of Escrow Agent, any Terminated Employee or any other Person in respect of any Claim or otherwise, and for greater certainty no Terminated Employee shall be entitled to assert any Claim against Depositor with respect to any such amount. Except for funding the Terminated Employee Fund Amount to Escrow Agent in accordance with the terms hereof, Depositor shall have no liability to any Person (including any Terminated Employee) under or in connection with this Escrow Agreement.

ARTICLE 5 THE ESCROW AGENT

5.1 Fees and Expenses of the Escrow Agent

All reasonable fees, expenses and disbursements incurred by the Monitor for acting as Escrow Agent hereunder (collectively, the “**Escrow Agent Fees and Expenses**”), including legal, accounting, tax or other advice which Escrow Agent, in its judgment, acting reasonably, may consider necessary for the proper discharge of its duties hereunder, shall be funded from the Administrative Expense Reserve.

5.2 Termination and Replacement

- (a) The Monitor may only resign or be replaced as Escrow Agent hereunder pursuant to an order of the CCAA Court, which order of the CCAA Court shall also include the appointment of a replacement Escrow Agent.
- (b) Any Person appointed as a replacement Escrow Agent by the CCAA Court pursuant to Section 5.2(a) shall, upon acceptance of such appointment, be vested with the remaining amount of the Terminated Employee Fund Amount and with all the trusts, powers, mandates, authorities, duties and obligations herein contained, without further assignment, transfer or conveyance of any kind or any order of any court or tribunal whatsoever as if such Person were an original party to this Escrow Agreement.
- (c) All instruments in writing relating to the appointment of replacement Escrow Agents shall be attached to this Escrow Agreement and shall be sufficient evidence of the facts to which such instruments relate.

5.3 Accounting

Escrow Agent shall maintain accurate books, records and accounts of the transactions effected or controlled by the Escrow Agent hereunder and the receipt and disbursement of the Terminated Employee Fund Amount, and shall provide to Depositor records and written statements thereof periodically upon reasonable request of Depositor or an order of the CCAA Court.

5.4 Liability of Escrow Agent

- (a) The parties hereto acknowledge and agree that the Escrow Agent acts hereunder as an escrow agent only. The Escrow Agent: (i) shall not be responsible or liable in any manner whatsoever for the sufficiency, correctness, genuineness or validity of any instrument deposited with it, for the form or execution of such instruments, for the identity, authority or right of any person or party executing or depositing such instruments or for determining or compelling compliance therewith, and shall not otherwise be bound thereby; (ii) shall be obligated only for the performance of such duties as are expressly and specifically set forth in this Escrow Agreement on its part to be performed, and no implied duties or obligations of any kind shall be read into this Escrow Agreement against or on the part of the Escrow Agent and the Escrow Agent will have no duty or responsibility arising under any other agreement, including any agreement referred to in this Escrow Agreement, to which the Escrow Agent is not a party; (iii) shall not be required to take notice of any default or to take any action with respect to such default involving any expense or liability, unless notice in writing of such default is formally given to the Escrow Agent, and unless it is indemnified and funded, in a manner satisfactory to it, against such expense or liability; (iv) may rely on and shall be protected in acting or refraining from acting upon any written notice, instruction (including, without limitation, wire transfer instructions, whether incorporated herein or provided in a separate written instruction), instrument, statement, certificate, request or other document furnished to it hereunder and believed by it to be genuine and to have been signed or presented by the proper person, and shall have no responsibility for determining the accuracy thereof; and, (v) may employ and consult counsel satisfactory to it and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in accordance with the opinion of such counsel.
- (b) The Escrow Agent may employ such counsel, accountants, appraisers, other experts, agents, agencies and advisors as it may reasonably require for the purpose of discharging its duties under this Escrow Agreement, and the Escrow Agent may act, or not act, and shall be protected in acting, or not acting, in good faith on the opinion or advice or on information obtained from any such parties and shall not be responsible for any misconduct on the part of any of them.
- (c) The Escrow Agent shall retain the right not to act and shall not be held liable for refusing to act unless it has received clear and reasonable documentation that complies with the terms of this Escrow Agreement.
- (d) No provision of this Escrow Agreement shall require the Escrow Agent to expend or risk its own funds or otherwise incur financial liability in the performance of its duties or the exercise of any of its rights or powers. The Escrow Agent may recover from the Administrative Expense Reserve the costs and expenses reasonably incurred by the Escrow Agent in the course of its services hereunder, in connection with the administration of the escrow created hereby or in the performance or observance of its duties hereunder (including the reasonable fees and disbursements of its counsel and other advisors required for discharge of its duties hereunder).

- (e) In performing the obligations hereof and in exercising its powers hereunder, Escrow Agent may act in its discretion and, provided Escrow Agent has acted honestly, Escrow Agent shall not be liable, answerable or accountable for any Claims resulting from the exercise of a discretion, error in judgment, or the refusal to exercise a discretion, including, for greater certainty, with respect to the issuance of any tax assessment, the withholding or remittance of any deductions at source, in good faith and in the exercise of its reasonable judgment. Escrow Agent shall only be liable, answerable and accountable for its own gross negligence or wilful misconduct.
- (f) Escrow Agent is liable, answerable and accountable only for money actually received by such Escrow Agent, even though Escrow Agent has signed a receipt or other instrument for the sake of conformity. The Escrow Agent is not liable, answerable or accountable for the actions, inactions, receipts, negligence, defaults, dishonesty, fraud or wilful misconduct of any other escrow agent, or of any other Person having custody of or control over any part of the Terminated Employee Fund Amount and is not liable, answerable or accountable for any loss of money or security for money unless the same happens through the Escrow Agent's own gross negligence or wilful misconduct. Honesty and good faith shall be presumed in favour of Escrow Agent unless such presumption is rebutted.
- (g) Subject to its obligations hereunder to Depositor and to the Terminated Employees with respect to the Terminated Employee Fund Amount and subject to the terms of the Terminated Employee Fund Order, the Escrow Agent shall have no liability to any other Person arising from commitments in this Escrow Agreement or contractual relationships arising out of its position as Escrow Agent. Escrow Agent is authorized to require any such commitment or contractual relationship to include a provision confirming the foregoing sentence to Escrow Agent, the Terminated Employees or any other Person with respect to the performance of the responsibilities of Escrow Agent hereunder, except for damages that may be caused by the gross negligence or wilful misconduct of Escrow Agent.
- (h) Depositor acknowledges and agrees that KSV is entering into this Escrow Agreement solely in its capacity as Monitor, including with the rights and protections afforded to the Monitor under the CCAA, pursuant to the orders made by the CCAA Court or otherwise as an officer of the CCAA Court, and KSV shall have absolutely no personal or corporate liability under or as a result of this Escrow Agreement in any respect.

5.5 Acceptance of Obligations

Escrow Agent hereby accepts the covenants and obligations in this Escrow Agreement declared and provided for and agrees to perform the same upon the terms and conditions herein set forth, and to hold and exercise the rights, privileges and benefits conferred upon Escrow Agent hereby for the benefit of the Terminated Employee having an interest in the Terminated Employee Fund Amount.

5.6 Indemnification

Escrow Agent and its directors, officers, employees and agents (collectively, the “**Escrow Agent Indemnified Parties**”) shall be indemnified and held harmless out of the Administrative Expense Reserve from and against all Claims against the Escrow Agent Indemnified Parties arising in any manner out of or in connection with this Escrow Agreement, including, for greater certainty, with respect to the issuance of any tax assessment, the withholding or remittance of any deductions at source and the collection or remittance of any sale taxes by Escrow Agent, except (x) to the extent that the same is attributable to the gross negligence or wilful misconduct of any Escrow Agent Indemnified Parties and (y) any income taxes payable by Escrow Agent with respect to the Escrow Agent Fees and Expenses. For certainty, the Depositor acknowledges that the Escrow Agent, in its capacity as the Monitor, shall have recourse against the amounts in the Administrative Expense Reserve to recover the amount of any Claims made against the Escrow Indemnified Parties for which they are indemnified hereunder. Subject to the foregoing, this entitlement to indemnification includes expenses incurred by Escrow Agent in enforcing its rights to indemnification hereunder. If Escrow Agent resigns, or is replaced, in accordance with the terms of this Escrow Agreement, such former Escrow Agent (and the other Escrow Agent Indemnified Parties) shall continue to be entitled to indemnification under this Section 5.6 with respect to any Claims that relate to, arise from or are based on such former Escrow Agent’s service as Escrow Agent. The indemnification provided for in this Section 5.6 shall survive termination of this Escrow Agreement. For the avoidance of doubt, none of the Escrow Agent Indemnified Parties shall be entitled to indemnity from the Terminated Employee Fund Amount.

5.7 Professional Advisors

If acting in good faith, Escrow Agent may rely upon the opinion, information or advice of any counsellor or any other independent expert or advisor retained by Escrow Agent and shall not be responsible for any loss resulting from any action or inaction taken in good faith in reliance upon such opinion, information or advice.

5.8 Application to Court

The Depositor or Escrow Agent may apply to the CCAA Court at any time and from time to time for advice and direction in connection with any aspect of this Escrow Agreement and the administration of the Terminated Employee Fund Amount and, in the case of Escrow Agent, the performance of any of its duties and responsibilities hereunder, including, without limitation, the appointment of a replacement Escrow Agent in accordance with the terms of Section 5.2 of this Escrow Agreement.

5.9 Incidental Rights

In addition to all other powers conferred upon it by the other provisions hereof or by any Law, Escrow Agent shall have the following powers, authorities and discretion:

- (a) to exercise all rights incidental to the custody of the Terminated Employee Fund Amount; and

- (b) any other power granted to Escrow Agent pursuant to a written authorization executed by Depositor and accepted in writing by the Escrow Agent.

ARTICLE 6 BANKING

6.1 Bank Selection

The banking activities of Escrow Agent in respect of the Terminated Employee Fund Amount, or any part thereof, shall be transacted with such Scheduled Canadian Bank as Escrow Agent may designate, appoint or authorize, in writing, from time to time.

6.2 Banking Activities

Escrow Agent may:

- (a) open, operate and maintain any one or more account(s) at such Scheduled Canadian Bank, as designated;
- (b) execute any services or account operation agreements relating to any such account(s) as may be required; and
- (c) deposit or transfer any cash, cheques, drafts, or other bills of exchange to the credit of any such account(s).

ARTICLE 7 TREATMENT OF RESIDUAL BALANCE AND FAILURE TO OBTAIN CLEARANCE FROM EMPLOYMENT AND SOCIAL DEVELOPMENT CANADA

7.1 Treatment of Residual Balance

As soon as reasonably practicable following the Hardship Benefit Determination Date, the Escrow Agent shall deliver the amount, if any, remaining from the Terminated Employee Fund Amount after all Hardship Benefit payments are made pursuant to Article 2 hereof (such remaining amount being, the “**Residual Balance**”) to Depositor or any other Person designated in a written direction of Depositor. The Residual Balance, if any, shall constitute the sole and exclusive property of Depositor and no Terminated Employee shall have any right, title or interest therein. Automatically upon either (a) the full distribution of the Terminated Employee Fund Amount to the Terminated Employee in accordance with Article 2 hereof or (b) the return of the Residual Balance to the Depositor in accordance with this Article 7, this Escrow Agreement shall terminate and the Escrow Agent shall have no further duties and obligations of any kind whatsoever.

7.2 Failure to Obtain Clearance from Employment and Social Development Canada

Notwithstanding any other provision hereof, if clearance from Employment and Social Development Canada is not obtained within 120 days following the Closing Date (or such later date agreed to in writing by the Depositor and the Escrow Agent, each in its sole discretion), then the entire Terminated Employee Fund shall be immediately repaid to the Depositor and no Terminated Employee shall be entitled to any Hardship Benefit hereunder. For the avoidance of

doubt, notwithstanding any repayment as contemplated in this Section 7.2, Depositor shall not, under any circumstance, be under any obligation to provide or contribute any additional money, property or value hereunder for the benefit of for the benefit of Escrow Agent, any Terminated Employee or any other Person in respect of any Claim or otherwise, and for greater certainty no Terminated Employee shall be entitled to assert any Claim against Depositor with respect to any such amount.

ARTICLE 8 OTHER MATTERS

8.1 Governing Law

- (a) This Escrow Agreement shall be governed and construed in accordance with the Laws of the Province of Ontario and the Laws of Canada applicable therein.
- (b) To the fullest extent permitted by applicable Law, each Party: (i) agrees that any claim, action or proceeding by such Party seeking any relief whatsoever arising out of, or in connection with, this Escrow Agreement, or the matters contemplated hereby shall be brought only before the CCAA Court; (ii) agrees to submit to the jurisdiction of the CCAA Court pursuant to the preceding clause (i) for purposes of all legal proceedings arising out of, or in connection with, this Escrow Agreement or the matters contemplated hereby; (iii) waives and agrees not to assert any objection that it may now or hereafter have to the laying of the venue of such action brought in any such court or any claim that any such action brought in such court has been brought in an inconvenient forum; (iv) agrees that the mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 8.10 or any other manner as may be permitted by Law shall be valid and sufficient service thereof; and (v) agrees that a final judgment in any such action or proceeding shall be conclusive and may be enforced in any other jurisdictions by suit on the judgment or in any other manner provided by applicable Law.

8.2 Assignment

Subject to Section 5.2, the rights and obligations under this Escrow Agreement may not be assigned by Escrow Agent without the prior consent in writing of Depositor, which will not be unreasonably withheld. This Escrow Agreement shall be binding upon and enure to the benefit of the Parties and their respective heirs, estates, administrators, executors, legal personal representatives, successors and permitted assigns.

8.3 No Waiver, etc.

- (a) No waiver of any of the provisions of this Escrow Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver be binding unless executed in writing by the Party to be bound by the waiver.
- (b) No failure on the part of any Party to exercise, and no delay in exercising any right under this Escrow Agreement shall operate as a waiver of such right, nor shall any

single or partial exercise of any such right preclude any other or further exercise of such right or the exercise of any other right.

8.4 Entire Agreement

This Escrow Agreement constitutes the entire agreement among the Parties with respect to the issues contemplated herein and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of such Parties. There are no conditions or other agreements, express or implied, collateral, statutory or otherwise, among the Parties in connection with the subject matter of this Escrow Agreement, except as specifically set forth herein, and the Parties have not relied and are not relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Escrow Agreement.

The Escrow Agreement constitutes the sole agreement that may be used for the purposes of interpreting the Parties' intent in establishing the Terminated Employee Fund.

8.5 Severability

If any provision of this Escrow Agreement shall be determined by any court of competent jurisdiction to be illegal, invalid or unenforceable, that provision will be severed from this Escrow Agreement and the remaining provisions shall remain in full force and effect. The Parties shall endeavour in good faith negotiations to replace the illegal, invalid or unenforceable provision with a valid provision which comes closest to the intention of Depositor underlying the illegal, invalid or unenforceable provision.

8.6 Further Assurances

Depositor and Escrow Agent shall do or cause to be done all such acts and things and shall execute or cause to be executed all such documents, agreements and other instruments as may be reasonably necessary or desirable for the purpose of carrying out the provisions and intent of this Escrow Agreement.

8.7 Counterparts; Electronic Signatures

This Escrow Agreement may be signed in counterparts and each of such counterparts shall constitute an original document and such counterparts, taken together, shall constitute one and the same instrument. Execution of this Escrow Agreement may be made by facsimile signature or by electronic image scan which, for all purposes, shall be deemed to be an original signature.

8.8 Third Party Beneficiaries

Nothing in this Escrow Agreement, whether express or implied, is intended to confer any rights or remedies under or by reason of this Escrow Agreement on any persons other than Depositor, the Terminated Employees, Escrow Agent and their respective heirs, estates, administrators, executors, legal representatives, successors and permitted assigns, nor is anything in this Escrow Agreement intended to relieve or discharge the obligation or liability of any third party to Depositor, Escrow Agent or the Terminated Employees, nor shall any provision give any third party any right of subrogation or action against any Party to this Escrow Agreement, nor shall any

provision limit the rights of Depositor, Escrow Agent or the Terminated Employees to assert any claims, counterclaims or defences against any third party.

8.9 No Obligation to Pay Indemnities Prohibited by Law

Notwithstanding anything contained herein, Escrow Agent shall not pay any Hardship Benefits to Terminated Employees hereunder if the payment of such amount would be prohibited under applicable Law.

8.10 Notice

Any notice, request, demand or other communication required or permitted to be given to a Party pursuant to the provisions of this Escrow Agreement will be in writing and will be effective and deemed given under this Escrow Agreement on the earliest of: (a) the date of personal delivery; (b) the date of transmission e-mail, with confirmed transmission and receipt (if sent during normal business hours of the recipient, if not, then on the next Business Day); (c) two (2) days after deposit with a nationally-recognized courier or overnight service such as Federal Express (FedEx); or (d) five (5) days after mailing via certified mail, return receipt requested. All notices not delivered personally or by e-mail will be sent with postage and other charges prepaid and properly addressed to the Party to be notified at the address set forth for such Party:

- (a) AIP Elixir Buyer Inc.
c/o Aterian Investment Partners IV, LP
550 Fifth Avenue, 8th Floor
New York, NY 10036
Attention: Christopher H. Thomas / Jay Taunk
E-mail: cthomas@aterianpartners.com / jtaunk@aterianpartners.com

With a copy that shall not constitute notice to:

Osler, Hoskin & Harcourt LLP
First Canadian Place

100 King St. W Suite 6200
Toronto, ON M5X 1B8

Attention: Marc Wasserman / Tracy Sandler / Justin Sherman
E-mail: mwasserman@osler.com / tsandler@osler.com /
jsherman@osler.com

and

Kirkland & Ellis LLP
300 N La Salle Dr
Chicago, IL 60654

Attention: Adam M. Wexner, P.C. / Steve Toth
Email: adam.wexner@kirkland.com / steve.toth@kirkland.com

- (b) KSV Restructuring Inc.
220 Bay Street, 13th Floor
PO Box 20
Toronto, ON M5H 0B4

Attention: Noah Goldstein / Ross Graham
Email: ngoldstein@ksvadvisory.com / rgraham@ksvadvisory.com

With a copy that shall not constitute notice to:

Cassels, Brock & Blackwell LLP
Bay Adelaide Centre
40 Temperance Street, Suite 3200
Toronto, ON M5H 0B4

Attention: Ryan C. Jacobs / Joseph Bellissimo
E-mail: rjacobs@cassels.com / jbellissimo@cassels.com

Any Party may change its address for service from time to time by notice given in accordance with the foregoing and any subsequent notice shall be sent to such Party at its changed address.

8.11 Survival

The provisions of Sections 4.1, 4.2, 5.4, 5.6, Article 7 and Article 8 shall survive the termination of this Escrow Agreement and shall continue for the benefit of the Parties.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF this Escrow Agreement has been executed as of the date first written above.

AIP ELIXIR BUYER INC.

Per: _____
Name:
Title:

KSV RESTRUCTURING INC., solely in its capacity as CCAA Court appointed Monitor of Contract Pharmaceuticals Limited *et al.* and not in its personal or corporate capacity

Per: _____
Name:
Title:

EXHIBIT A
APPLICATION FORM

[ATTACHED]

1378-7825-1275

**IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT
PROCEEDINGS OF CONTRACT PHARMACEUTICALS LIMITED, CPL CANADA HOLDCO
LIMITED, CONTRACT PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE
PHARMACEUTICALS LIMITED CANADA, AND GLASSHOUSE PHARMACEUTICALS LLC
(collectively, "CPL")**

HARDSHIP BENEFIT APPLICATION FORM OF **[FULL NAME OF THE INDIVIDUAL]**

ESTIMATED HARDSHIP BENEFIT: **CAS**

www.ksvadvisory.com/experience/case/cpl

A court has authorized this notice. This is not a solicitation from a lawyer.

You have been identified as a potential recipient of a hardship benefit payable from an escrow fund established in the *Companies' Creditors Arrangement Act* proceedings of CPL. You are required to fill out, sign and deliver this Application Form and a release in order to be eligible to receive the hardship benefit under the fund. Please read this notice and the referenced documents carefully. It may affect your rights.

This is a time sensitive notice. The deadline to deliver the signed Application Form and release in order to receive a hardship benefit is 5:00 pm (Toronto time) on [date], 2024.

On December 15, 2023, Contract Pharmaceuticals Limited and its affiliates commenced proceedings (the "**CCAA Proceedings**") under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**") before the Ontario Superior Court of Justice (Commercial List) ("**CCAA Court**") and KSV Restructuring Inc. was appointed as monitor (the "**Monitor**").

Pursuant to the sale and investment solicitation process approved by the CCAA Court on December 22, 2023, the Seller and AIP Elixir Buyer Inc. (the "**Buyer**") entered in an Share Purchase Agreement made as of March ●, 2024 (as may be amended, the "**Agreement**") whereby the Buyer, an affiliate of Aterian Investment Partners IV, LP, has agreed to purchase all of the issued and outstanding shares in the capital of CPL Canada Holdco Limited.

In accordance with the terms of the Agreement, the Buyer has agreed to fund to the Monitor an amount equal to \$500,000 (the "**Terminated Employee Fund Amount**") and the Monitor will establish a fund (the "**Terminated Employee Fund**") pursuant to the Terminated Employee Escrow Fund Agreement between the Buyer and the Monitor dated ●, 2024 (the "**Terminated Employee Fund Escrow Agreement**") and approved by the CCAA Court in the CCAA Proceedings pursuant to the Terminated Employee Fund Order dated ●, 2024.

The Terminated Employee Fund is meant to provide financial assistance on a gratuitous, without prejudice basis, to those individuals facing hardship as a result of the termination of their employment in the circumstances of the CCAA Proceedings.

1. Why did I get this notice?

You have been identified as eligible to receive the payment of a hardship benefit under the Terminated Employee Fund Escrow Agreement.

2. How much can I expect to receive and when?

The hardship benefit payable to each eligible terminated employee will be up to a maximum amount equal to the minimum applicable statutory termination pay, and if applicable, statutory severance pay owing to such eligible terminated employee, subject to a potential *pro rata* reduction if the total hardship benefits payable to all eligible terminated employees exceeds the Terminated Employee Fund Amount.

Your estimated gross hardship benefit is set forth at the top of this notice under your name. The hardship benefit, as may be reduced *pro rata* as described above, will be paid by way of a one-time payment in Canadian dollars, subject to all applicable withholdings, taxes and deductions as may be required by law. The Monitor's calculation of the amount payable to you from the Terminated Employee Fund is final, binding and non-appealable.

Subject to the other conditions outlined in this Application Form, it is currently anticipated that the payments will be made on or about **[specify estimated timing]**.

All eligible terminated employees who receive a hardship benefit will receive a tax slip, if it is required by law.

3. What do I need to do to receive a hardship benefit?

In consideration for the hardship benefit that you will receive under the Terminated Employee Fund Escrow Agreement, you must:

- complete and sign this Application Form in the "Payment Information" Section below; and
- sign and return the attached Terminated Employee Release Agreement (the "**Release**").

4. The Release

In order to receive the hardship benefit, you must sign and return the attached Release in favour of, among others, the Buyer, CPL and the Monitor. **You should carefully review the Release as it impacts your legal rights.** You may wish to consult a lawyer with respect to the Release.

5. Can I receive a benefit without signing the Release?

No. To receive a hardship benefit, you must return to the Monitor **both** the signed and completed Application Form and the signed Release.

6. When and where do I need to return this Application Form and the signed Release?

The completed and signed Application Form and Release must be returned to the Monitor by no later than 5:00 pm (Toronto time) on [●], 2024 as follows: (i) by completing the online form accessible via the link provided in the email you have received from the Monitor; or (ii) by email to **[info@ksvadvisory.com]**, or (iii) by mail at the following address:

KSV RESTRUCTURING INC.
in its capacity as the Monitor
of Contract Pharmaceuticals Limited et al.
220 Bay Street, 13th Floor, PO Box 20,
Toronto, Ontario, M5J 2W4
Attention: Noah Goldstein and Ross Graham

Please note that no hardship benefit will be owed or paid to you under the Terminated Employee Fund if you fail to comply with this timeline.

7. Can I transfer my hardship benefit to someone else?

No. Under no circumstances may you transfer your entitlement to a hardship benefit to another person.

8. How do I get more information?

If you have any questions about this Application Form, you should contact the Monitor identified below. There is no cost to do so.

**KSV RESTRUCTURING INC.
in its capacity as the Monitor
of Contract Pharmaceuticals Limited et al.
Email: [info@ksvadvisory.com]
Telephone: 416.932.6262**

Payment Information to be provided on next page.

PAYMENT INFORMATION

The CCAA Court has authorized CPL to provide to the Monitor its payroll information for the administration of the payment of the hardship benefit to be made under the Terminated Employee Fund Escrow Agreement. The Monitor undertakes to maintain and protect the privacy of such information.

Please provide the following information and sign where indicated below:

a) Method of payment (choose one):

- Electronic fund transfer to my bank account on record with CPL (which was used to process my last pay)
- Electronic fund transfer to a different bank account:

Name of account holder:	
Bank's name:	
Bank's address:	
Institution number:	
Branch/Transit number:	
Account number:	
IBAN or Swift number (if applicable)	

ACKNOWLEDGEMENT

In signing this Application Form, I acknowledge that the information provided with this Application Form is provided solely for my general knowledge. I recognize that it is not intended to be a comprehensive review of the Terminated Employee Fund Escrow Agreement and the Release. The information is not a substitute for independent legal advice before making any decisions. I acknowledge having had a sufficient opportunity to read the Terminated Employee Fund Escrow Agreement and the Release completely and to obtain independent legal advice in respect thereof.

SIGNED this ____ day of _____, 2024.

Print Name (First, Last name)

Signature

EXHIBIT B

TERMINATED EMPLOYEE RELEASE AGREEMENT

[ATTACHED]

**TERMINATED EMPLOYEE RELEASE AGREEMENT
("RELEASE")**

FROM:

(insert full legal name of Terminated Employee)

TO:

(I) AIP ELIXIR BUYER INC. ("**Buyer**"),

(II) CONTRACT PHARMACEUTICALS LIMITED, CPL CANADA HOLDCO LIMITED, CONTRACT PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE PHARMACEUTICALS LIMITED CANADA AND GLASSHOUSE PHARMACEUTICALS LLC (collectively, "**CPL**"),

(III) KSV RESTRUCTURING INC., including in its capacities as Court-appointed Monitor of Contract Pharmaceuticals Limited *et al.* and as Escrow Agent under the Terminated Employee Fund Escrow Agreement (hereinafter collectively referred to as the "**Monitor**"), and

each of their present and former respective direct and indirect affiliates, associates, subsidiaries, parents, past and present shareholders, members, partners, directors, officers, managers, employees, contractors, consultants, agents, representatives, trustees, administrators, lawyers, insurers, predecessors, beneficiaries, heirs, executors, affiliated funds and funds under management (all of the foregoing are collectively referred to herein as the "**Releasees**"), each of which is intended as a beneficiary of this Terminated Employee Release Agreement (the "**Release**").

Reference is made to that certain Terminated Employee Fund Escrow Agreement dated [●], 2024 (the "**Terminated Employee Fund Escrow Agreement**") by and between AIP Elixir Buyer Inc., as depositor, and the Monitor, as escrow agent, entered into in connection with the transactions (the "**Transactions**") contemplated by the Share Purchase Agreement dated March [●], 2024 (as may be amended in accordance with its terms), between Contract Pharmaceuticals Limited, as seller, and AIP Elixir Buyer Inc., as buyer.

1. I confirm having received a copy of the Terminated Employee Fund Escrow Agreement (a copy of which is available on the Monitor's website at: www.ksvadvisory.com/experience/case/cpl).
2. I confirm that I have completed an application form (the "**Application Form**") provided to me pursuant to the Terminated Employee Fund Escrow Agreement for the payment of the Hardship Benefit (as defined in the Terminated Employee Fund Escrow Agreement) and I represent that all of the information in the Application Form is true and correct. I understand that in order to be eligible to receive the Hardship Benefit, I must sign and deliver this Release, together with the completed Application Form, to the Monitor on or before 11:59 pm (Toronto time) on [●], 2024.
3. In exchange for the payment of the Hardship Benefit to me on the terms and subject to the conditions set out in the Terminated Employee Fund Escrow Agreement, I hereby fully and finally release, acquit and forever discharge, on behalf of myself and my assigns, beneficiaries, creditors, representatives, agents and affiliates (collectively, the "**Releasing Parties**" and each, a "**Releasing Party**"), the Releasees of and from any and all manner of actions, causes of action, suits, proceedings, obligations, liabilities, administrative complaints, contracts, claims, counterclaims, demands, debts, damages, costs, expenses and compensation of every kind and nature whatsoever, past present, or future, in any jurisdiction, which any Releasing Party now has, has ever had or may

ever have at any time, against any of the Releasees by reason of any cause, matter or thing whatsoever existing up to the present time, whether known or unknown, foreseen or unforeseen, contingent or non-contingent, including all claims in law or equity and all claims for contribution or indemnity (collectively, “Claims” and each a “Claim”), and particularly and without limiting the generality of the foregoing, from all Claims of every nature and kind in any way related to or arising from (i) my engagement in any capacity with CPL, whether as an employee or independent contractor, or from any employment or other agreement between me and CPL, and specifically including all damages, salary, wages, remuneration, commission, vacation pay, overtime pay, termination pay, severance pay, taxes, notice of termination, change of control, retention or similar payments, benefits, profit-sharing, life, medical, pension or retiree benefits (contractual, statutory or otherwise), employee stock options, equity-based compensation (including cashless exercise thereof) or other equity incentives, bonuses, proceeds of any insurance or disability plans, or any other fringe benefit, perquisite or compensation of any kind whatsoever, (ii) the Transactions, including any Claim against Buyer or any of its affiliates or any of their respective assets that such entity is my employer or a common, related or successor employer to CPL or any of its affiliates, or that I was or am entitled to be employed or engaged in any capacity by Buyer or any of its affiliates, (iii) the conduct of the restructuring proceedings of CPL under the *Companies’ Creditors Arrangement Act* (Canada) and Chapter 15 of the *United States Bankruptcy Code*, or (iv) the administration of the escrow fund under the Terminated Employee Fund Escrow Agreement, including by the Monitor in respect of its responsibilities and functions as escrow agent under the Terminated Employee Fund Escrow Agreement.

4. Notwithstanding the foregoing Section 3, nothing in this Release shall release or discharge:
 - (a) any right I may have to continue receiving benefits from any insurer with respect to any previously filed claims I have filed against my then current employer, all subject to the terms and conditions of the applicable plans, policies or programs, and solely to the extent of available insurance without recourse to any of the Releasees by the insurer; and
 - (b) any right I may have to continue receiving benefits from any governmental authority, including, without limitation, under or in respect of workers’ compensation, the *Wage Earner Protection Program Act* (S.C. 2005 c.47, s.1) (“WEPPA”), long-term disability insurance or employment insurance.
5. I confirm that I have not filed any complaint or initiated any legal proceeding against any of the Releasees, and I covenant and agree not to file any complaint or initiate any legal proceeding against any Releasee under any of the *Employment Standards Act, 2000* (Ontario), the *Human Rights Code* (Ontario), the *Workplace Safety and Insurance Act* (Ontario), the *Occupational Health & Safety Act* (Ontario), the *Labour Relations Act* (Ontario), the *Pay Equity Act*, the *Access for Ontarians with Disabilities Act, 2005* (Ontario), the *Personal Information Protection and Electronic Documents Act* (Canada), the *Companies’ Creditors Arrangement Act* (Canada), the *United States Bankruptcy Code* or pursuant to any other applicable law or legislation in any relevant jurisdiction, or in respect of any contractual or other right of action, in respect of any matter that is related to any Claims released hereunder. To the extent that I have filed any such complaint or initiated any such proceeding, I agree that I will promptly withdraw them. For greater certainty, I confirm that I am aware of my rights under the *Human Rights Code* (Ontario), and I hereby confirm that I am not asserting such rights, alleging that any such rights have been breached, or advancing a human rights claim or complaint. In the event that I hereafter make any Claim or demand or commence or threaten to commence any Claim against any of the Releasees with respect to the Claims released hereunder, this Release may be raised as a complete bar to any such Claim.

6. I understand that the Hardship Benefit to be paid is not paid in exchange for services rendered, nor is it the result of employment or the termination thereof. I confirm that I am not, and do not claim to be, an employee of Buyer or any of its affiliates and that I have no right to employment, reinstatement, re-call or reemployment with any of the Releasees, and I waive and release all rights I had or may have had in this regard. For greater certainty, I hereby renounce any right to be reinstated in my employment or other engagement with CPL, any of its affiliates or any successor thereto.
7. I further agree not to make or cause to be initiated any Claim (expressly including any cross-claim, counterclaim, third party action or application) against any other person or corporation who might claim contribution or indemnity against any of the Releasees in respect of any matter that is related to any Claim released hereunder.
8. This Release shall be binding upon me and my heirs, executors, administrators, successors and assigns, and shall inure to the benefit of the Releasees and to the benefit of all of the Releasees' heirs, executors, administrators, successors and assigns.
9. I acknowledge having had a sufficient opportunity to review the Application Form, this Release and the Terminated Employee Fund Escrow Agreement (copies of which are available on the Monitor's website at: www.ksvadvisory.com/experience/case/cpl) and to obtain independent legal advice in respect thereof, and that the only consideration for this Release is the Hardship Benefit referred to in Section 3. I further confirm that no other promises or representations of any kind have been made to me to cause me to sign this Release.
10. I acknowledge that this Release and the payment of the Hardship Benefit to me shall not constitute an admission of liability on the part of any of the Releasees. Each of the Releasees shall be entitled to enforce this Release in accordance with its terms.
11. I agree that I alone shall be responsible for all tax liability resulting from my receipt of all or any portion of the Hardship Benefit and acknowledge that the Monitor and/or any paying agent for the Hardship Benefit may withhold or deduct funds for remittance to statutory authorities sufficient to satisfy any income tax withholding, payroll and wage withholding and social security or similar contributions, each, in accordance with applicable law and as determined by the Monitor or the paying agent in their sole discretion. I agree to indemnify and save the Releasees harmless from any and all amounts payable or incurred by any of the Releasees if it is subsequently determined that any greater amount should have been withheld or deducted in respect of income tax (federal and provincial), employment insurance, Canada Pension Plan, or any other statutory withholding or contribution required in any jurisdiction whatsoever. For greater certainty, nothing contained in this Release should be deemed to be a representation from the Releasees of the impact of the payment of the Hardship Benefit on any other benefit to which I may be entitled to, including, without limitation, any benefit payable under the WEPPA.
12. I acknowledge that I have considered the availability of the advice of counsel and the possibility that any Releasing Party may not fully know the number or magnitude of the Claims that such Releasing Party has or may have against any Releasee, but nevertheless intend to assume the risk that such Releasing Party is releasing such Claims and agrees that this Release is a full and final release of any and all claims.
13. I further agree not to (and not to cause or encourage any other Releasing Party to) institute, join in, encourage, instigate or participate in any litigation, lawsuit, claim or action against any Releasee, with respect to any or all Claims released pursuant to this Release.

14. I acknowledge that the Hardship Benefit available to me provides good and sufficient consideration for every promise, duty, release, obligation, agreement and right contained in this Release.
15. If any provision of this Release or its application in a circumstance is held to be restricted, prohibited by or invalid under applicable law, such provision will be ineffective only to the extent of such restriction, prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Release and without affecting its application to other circumstances.
16. I acknowledge and agree that this Release may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. Without limitation, "electronic signature" shall include faxed, scanned, photographed or otherwise recorded versions of an original signature, or any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record. Delivery of an executed copy of this Release by facsimile, email or other electronic transmission constitutes valid and effective delivery.
17. This Release shall be governed by the laws of the province of Ontario and the federal laws of Canada applicable therein. To the full extent permitted by law, I hereby submit to the exclusive jurisdiction of the Ontario Superior Court of Justice (Commercial List) with respect to any matter arising under or in connection with this Release or the Terminated Employee Fund Escrow Agreement.
18. This Release constitutes the entire agreement among the parties hereto with respect to the subject matter of this Release and supersedes all prior agreements, understandings and negotiations, both written and oral, between the parties hereto with respect to the subject matter of this Agreement. SIGNED this ____ day of _____, 2024.

 Print Name of Terminated Employee

 Signature of Terminated Employee

EXHIBIT C

FORM OF TERMINATED EMPLOYEE FUND ORDER

[ATTACHED]

SCHEDULE "B"
APPLICATION PROCESS UNDER THE TERMINATED EMPLOYEE FUND ESCROW
AGREEMENT

Attached.

Appendix “C”

AMENDMENT NO. 1 TO DIP FINANCING TERM SHEET

THIS AMENDMENT NO. 1 (this “**Amendment**”) is made as of March 30, 2024, and is entered into between Contract Pharmaceuticals Limited Canada, as borrower (the “**Borrower**”) and Deerfield Private Design Fund IV, L.P., as agent for itself and Deerfield Private Design Fund III, L.P. (collectively, the “**DIP Lender**”), as the DIP Lender, in connection with the DIP Financing Term Sheet dated as of December 14, 2023 (the “**Existing DIP Term Sheet**”) made by and among, the Borrower, the DIP Lender and the guarantors party thereto.

WHEREAS, the Borrower has requested that the DIP Lender amend the Existing DIP Term Sheet as set forth herein, and the DIP Lender is willing to do so on the terms and conditions set forth herein.

AND WHEREAS capitalized terms used and not defined herein shall have the meanings given to such terms in the Existing DIP Term Sheet.

NOW THEREFORE, the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

1. **Amendments.** The following amendments to the Existing DIP Term Sheet are hereby agreed:
 - (a) Section 14 of the Existing DIP Term Sheet is hereby amended by deleting the reference to “April 30, 2024” from sub-paragraph (iii) thereof and inserting a reference to “May 29, 2024” in its place.
 - (b) The Borrower and the DIP Lender agree to an extension of certain milestones in Section 7 of the SISP (appended as Exhibit E to the Existing DIP Agreement), as follows:
 - (i) the reference to “February 29, 2024” in paragraph 7(d) of the SISP is hereby deleted and replaced with a reference to “March 7, 2024”;
 - (ii) the reference to “March 12, 2024” in paragraph 7(e) of the SISP is hereby deleted and replaced with a reference to “March 29, 2024”;
 - (iii) the reference to “March 22, 2024” in paragraph 7(f) of the SISP is hereby deleted and replaced with a reference to “April 12, 2024”; and
 - (iv) the reference to “April 30, 2024” in paragraph 7(g) of the SISP is hereby deleted and replaced with a reference to “May 29, 2024”.

2. **General.**
 - (a) Effect of Amendment. All terms and conditions of the Existing DIP Term Sheet shall remain in full force and effect unless, and only to the extent, specifically amended pursuant to the terms of this Amendment, and the Existing DIP Term Sheet is hereby ratified and confirmed. The Existing DIP Term Sheet shall be read

and construed throughout so as to incorporate the applicable provisions of this Amendment.

- (b) No Waiver. Except as expressly set out herein, nothing contained in this Amendment shall be construed or interpreted or is intended as a waiver of any rights, powers, privileges or remedies that the DIP Lender have or may have under the Existing DIP Term Sheet.
- (c) Severability. Any provision in this Amendment which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
- (d) Governing Law. This Amendment shall be governed by, and construed in accordance with, the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- (e) Counterparts. This Amendment may be executed in any number of counterparts and by electronic transmission including “pdf”, DocuSign or other electronic format, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument.

[signature pages follow]

IN WITNESS WHEREOF, the parties hereby execute this Amendment as at the date first above mentioned.

**DEERFIELD PRIVATE DESIGN FUND III,
L.P.**

By: Deerfield Mgmt III, L.P., General Partner

By: J.E. Flynn Capital III, LCC, General Partner

Per: David J. Clark
Name: David J. Clark
Title: Authorized Signatory

**DEERFIELD PRIVATE DESIGN FUND IV,
L.P.**

By: Deerfield Mgmt IV, L.P., General Partner

By: J.E. Flynn Capital IV, LCC, General Partner

Per: David J. Clark
Name: David J. Clark
Title: Authorized Signatory

BORROWER:

**CONTRACT PHARMACEUTICALS
CANADA LIMITED**

Per: _____
Name:
Title:

IN WITNESS WHEREOF, the parties hereby execute this Amendment as at the date first above mentioned.

**DEERFIELD PRIVATE DESIGN FUND III,
L.P.**

By: Deerfield Mgmt III, L.P., General Partner

By: J.E. Flynn Capital III, LCC, General Partner

Per: _____
Name:
Title:

**DEERFIELD PRIVATE DESIGN FUND IV,
L.P.**

By: Deerfield Mgmt IV, L.P., General Partner

By: J.E. Flynn Capital IV, LCC, General Partner

Per: _____
Name:
Title:

BORROWER:

**CONTRACT PHARMACEUTICALS
CANADA LIMITED**

Per: _____
Name: Jan Sahai
Title: Chief Executive Officer
Jan Sahai
Signed by: Jan Sahai
CEO
Date & Time: March 30, 2024 15:07:33 EDT

Appendix “D”

Contract Pharmaceuticals Limited
Projected Statement of Cash Flows
For the Period Ending June 21, 2024
(Unaudited; C\$000s)

	Note	19-Apr-24	26-Apr-24	03-May-24	10-May-24	17-May-24	24-May-24	31-May-24	07-Jun-24	14-Jun-24	21-Jun-24	Total
Receipts	1											
Collection of Accounts Receivable	2	1,773	2,121	1,324	1,138	1,786	-	-	-	-	-	8,141
Total Receipts		1,773	2,121	1,324	1,138	1,786	-	-	-	-	-	8,141
Disbursements												
Production costs	3	817	894	837	833	833	-	-	-	-	-	4,215
Payroll	4	992	67	1,134	27	992	-	-	-	-	-	3,211
Rent	5	-	-	154	-	-	-	-	-	-	-	154
Other operating expenses	6	405	834	232	57	399	-	-	-	-	-	1,927
Contingency		50	50	50	50	50	-	-	-	-	-	250
Total Operating disbursements		2,264	1,845	2,407	967	2,274	-	-	-	-	-	9,757
Net Cash Flow before the Undernoted		(491)	276	(1,083)	170	(489)	-	-	-	-	-	(1,615)
Professional Fees	7	282	214	262	194	4,431	25	25	25	25	25	5,508
Net Cash Flow		(773)	62	(1,345)	(24)	(4,920)	(25)	(25)	(25)	(25)	(25)	(7,123)
Opening Cash balance	8	4,556	3,784	3,846	2,501	2,478	278	253	228	203	178	4,556
Net Cash Flow		(773)	62	(1,345)	(24)	(4,920)	(25)	(25)	(25)	(25)	(25)	(7,123)
DIP proceeds	9	-	-	-	-	2,720	-	-	-	-	-	2,720
Closing cash balance		3,784	3,846	2,501	2,478	278	253	228	203	178	153	153

The above financial projections are based on management's assumptions detailed in Appendix "1-1".
The note references correspond to the assumption numbers shown in Appendix "1-1".

Notes to Projected Statement of Cash Flows

For the Period Ending June 21, 2024

(Unaudited; C\$000s)

Purpose and General Assumptions

1. The purpose of the projection is to present a forecast of the cash flow of Contract Pharmaceuticals Limited, CPL Canada Holdco Limited, Contract Pharmaceuticals Limited Canada, Glasshouse Pharmaceuticals Limited Canada, and Glasshouse Pharmaceuticals LLC (collectively, the "Applicants") for the period April 14 to June 21, 2024 (the "Period").

Hypothetical

2. Represents projected collections of current and future accounts receivable.

Most Probable

3. Includes costs related to the production and manufacturing of pharmaceutical products.
4. Includes payroll and benefits for all of the Applicants' employees.
5. Represents occupancy costs, including rent, for the Applicants' leased premises in Mississauga, ON.
6. Represents general operating costs, including sales and marketing, software, administrative costs, overhead costs, DIP Facility fees and interest, and other sundry items.
7. Includes the estimated payments to the Monitor, its legal counsel, the Applicants' Canadian and US legal counsel, the Financial Advisor, the DIP Lender's legal counsel, and the DIP Lender's financial advisor.
8. Opening cash reflected as of April 12, 2024.
9. Reflects projected DIP funding to be provided by the DIP Lender, as defined and pursuant to the terms of the DIP Term Sheet, converted at a rate of \$1.36.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CONTRACT PHARMACEUTICALS
LIMITED, CPL CANADA HOLDCO LIMITED, CONTRACT
PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE
PHARMACEUTICALS LIMITED CANADA, AND GLASSHOUSE
PHARMACEUTICALS LLC

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The management of Contract Pharmaceuticals Limited, CPL Canada Holdco Limited, Contract Pharmaceuticals Limited Canada, Glasshouse Pharmaceuticals Limited Canada, and Glasshouse Pharmaceuticals LLC (collectively, the "Applicants") has developed the assumptions and prepared the attached consolidated statement of projected cash flow as of the 15th day of April, 2024 for the period April 14, 2024 to June 21, 2024 ("Cash Flow Forecast"). All such assumptions are disclosed in the notes to the Cash Flow Forecast.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Cash Flow Forecast as described in Note 1 to the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Applicants and provide a reasonable basis for the Cash Flow Forecast.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purpose outlined in Note 1 using a set of probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at Toronto, ON this 15th day of April, 2024.

**CONTRACT PHARMACEUTICALS LIMITED, CPL CANADA HOLDCO LIMITED, CONTRACT
PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE PHARMACEUTICALS LIMITED
CANADA, AND GLASSHOUSE PHARMACEUTICALS LLC**



Per: John Wilkening

Appendix “E”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

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

AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF CONTRACT PHARMACEUTICALS
LIMITED, CPL CANADA HOLDCO LIMITED, CONTRACT
PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE
PHARMACEUTICALS LIMITED CANADA, AND GLASSHOUSE
PHARMACEUTICALS LLC

MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)

The attached consolidated statement of projected cash-flow of Contract Pharmaceuticals Limited, CPL Canada Holdco Limited, Contract Pharmaceuticals Limited Canada, Glasshouse Pharmaceuticals Limited Canada, and Glasshouse Pharmaceuticals LLC (collectively, the "Applicants") as of the 15th day April, 2024, consisting of a weekly projected cash flow statement for the period April 14, 2024 to June 21, 2024 (the "Cash Flow Forecast") has been prepared by the management of the Applicants for the purpose described in Note 1, using probable and hypothetical assumptions set out in the notes to the Cash Flow.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management of the Applicants. We have reviewed the support provided by management for the probable and hypothetical assumptions and the preparation and presentation of the Cash Flow Forecast.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) the hypothetical assumptions are not consistent with the purpose of the Cash Flow Forecast;
- b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Applicants or do not provide a reasonable basis for the Cash Flow Forecast, given the hypothetical assumptions; or
- c) the Cash Flow Forecast does not reflect the probable and hypothetical assumptions.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow Forecast will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow Forecast has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, ON this 15th day of April, 2024.

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
solely in its capacity as monitor of
Contract Pharmaceuticals Limited,
CPL Canada Holdco Limited,
Contract Pharmaceuticals Limited Canada,
Glasshouse Pharmaceuticals Limited Canada, and
Glasshouse Pharmaceuticals LLC**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CONTRACT PHARMACEUTICALS LIMITED,
CPL CANADA HOLDCO LIMITED, CONTRACT PHARMACEUTICALS LIMITED CANADA, GLASSHOUSE
PHARMACEUTICALS LIMITED CANADA, AND GLASSHOUSE PHARMACEUTICALS LLC**

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT TORONTO

FOURTH REPORT OF THE MONITOR

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