

Estate File Nos.: 31-3382891 / 31-3382884 / 31-3382875

**IN THE MATTER OF THE BANKRUPTCIES OF
9211128 CANADA LIMITED (F/K/A HAKIM OPTICAL LABORATORY LIMITED),
9223142 CANADA LIMITED (F/K/A LAWRENCE OPHTHALMIC LAB INC.) AND
HAKIM OPTICAL WORLDWIDE LENSES INC.
OF THE CITY OF SCARBOROUGH, IN THE PROVINCE OF ONTARIO**

**TRUSTEE'S REPORT TO CREDITORS ON
PRELIMINARY ADMINISTRATION**

1.0 Introduction

1. This report ("**Report**") is filed by AlixPartners Restructuring, Inc. (formerly KSV Restructuring Inc.)¹ ("**AlixPartners**") in its capacity as Licensed Insolvency Trustee (the "**Trustee**") of 9211128 Canada Limited (formerly known as Hakim Optical Laboratory Limited) ("**Hakim Optical**"), 9223142 Canada Limited (formerly known as Lawrence Ophthalmic Lab Inc.) ("**Labs**") and Hakim Optical Worldwide Lenses Inc. ("**HOWL**", and collectively with Hakim Optical and Labs, the "**Companies**").
2. On April 16 and 22, 2025, Hakim Optical and Labs, respectively, filed Notices of Intention to Make a Proposal pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") (collectively, the "**NOI Proceedings**"). AlixPartners was appointed the proposal trustee in connection with the NOI Proceedings.
3. Pursuant to an order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on May 15, 2025 (the "**Filing Date**"), Hakim Optical, Labs and HOWL were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**") and AlixPartners was appointed monitor (the "**Monitor**"). The principal purpose of the CCAA proceedings was to provide the Companies with stability to operate while a Court-supervised sale and investment solicitation process (the "**SISP**") was conducted. A feature of the SISP was a stalking horse asset purchase agreement (the "**Stalking Horse APA**") between the Companies and Chiaro Ottico Ltd. ("**Chiaro**"), an affiliate of 1001112855 Ontario Inc. ("**855 Ontario**"), the Companies' principal secured creditor.

¹ Effective June 1, 2026, AlixPartners Restructuring, Inc. was substituted in place of KSV Restructuring Inc. ("**KSV**") as Court Officer in these proceedings pursuant to an order dated June 3, 2026 issued by the Ontario Superior Court of Justice (Commercial List). The professionals involved in this mandate remain unchanged.

4. The SISP resulted in the Stalking Horse APA being selected as the successful bid. Pursuant to an Approval and Vesting Order granted by the Court on November 18, 2025, the Court approved the going-concern transaction contemplated by the Stalking Horse APA (the "**Transaction**"). The Transaction closed effective November 28, 2025 and substantially all of the Companies' business and assets were sold to Chiaro and its affiliates, 1001410360 Ontario Ltd. and 1001410357 Ontario Ltd. (collectively, the "**Purchasers**"). The purchase price under the Transaction was \$22 million.
5. The Transaction resulted in a shortfall to 855 Ontario and, as a result, there were no proceeds available to make distributions to subsequent ranking creditors.
6. The Court also issued a CCAA Termination Order on November 18, 2025 which, among other things, i) extended the stay of proceedings in favour of the Companies until the earlier of May 29, 2026 and the date the CCAA proceedings are terminated; ii) approved a transition services agreement between the Companies, the Monitor and the Purchasers (the "**TSA**"); iii) expanded the Monitor's powers upon closing of the Transaction; and iv) authorized each of the Companies to make an assignment in bankruptcy.
7. The Monitor filed its discharge certificate with the Court on May 29, 2026 (the "**CCAA Termination Date**"), which terminated the CCAA proceedings.
8. On June 5, 2026 (the "**Bankruptcy Date**"), the Monitor filed assignments in bankruptcy for each of the Companies pursuant to the BIA. AlixPartners was appointed the Trustee of the Companies subject to affirmation of the Trustee's appointment at the first meeting of creditors scheduled to be held on June 25, 2026.

2.0 Currency

1. All currency references in this Report are to Canadian dollars unless otherwise noted.

3.0 Restrictions

1. In conducting its review and preparing this Report, the Trustee has relied upon financial and other information provided by the Companies.
2. The Trustee has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on in a manner that complies with Canadian Auditing Standards ("**CAS**") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Trustee 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 contained in this Report should perform its own diligence.

4.0 Background

1. Through predecessor related entities, the Hakim Optical business has operated since 1967, founded by Sir Karim Hakimi who served as its sole shareholder and sole director. At its peak in 2019, Hakim Optical operated from approximately 160 retail locations across Canada, offering designer and “Hakim” branded frames, contact lenses and safety glasses.
2. As of the Filing Date, Labs operated two optical manufacturing laboratories in the Greater Toronto Area that produced Hakim Optical branded lenses, sold exclusively to Hakim Optical at cost, or an estimate of cost. HOWL held no active business operations or assets; it was named as tenant under certain leases and utility contracts where Hakim Optical operated, with payments historically made by Hakim Optical on HOWL’s behalf.
3. As of the Filing Date, Hakim Optical operated 70 retail locations and employed approximately 267 individuals, while Labs employed approximately 10 individuals.
4. Following the successful SISP and closing of the going-concern transaction effective November 28, 2025, a substantial majority of the Companies’ employees were offered employment by the Purchasers. The remaining employees were terminated prior to the closing of the Transaction.
5. Pursuant to an Order of the Court dated November 18, 2025, the Trustee is authorized to administer the Companies’ bankrupt estates on a procedurally consolidated basis. The principal purpose of the bankruptcy proceedings is to allow the Companies’ former employees who were terminated during the CCAA proceedings to make claims under the *Wage Earner Protection Program Act*, S.C. 2006, c. 47 s. 1, as amended (“**WEPPA**”).
6. Further information regarding the Companies, the CCAA proceedings and the bankruptcy proceedings is available on the Trustee’s website (the “**Case Website**”) at: <https://www.ksvadvisory.com/experience/case/hakim>.

5.0 The Bankrupt Estate

1. As noted above, substantially all of the Companies’ assets were sold to the Purchasers during the CCAA proceedings. The main exception to this is a related party loan receivable owing to Hakim Optical, which is partially offset by a related party loan payable. This matter was discussed in the Pre-Filing Report of the Monitor dated May 9, 2025 which is available on the Case Website and is summarized below.
 - a) Based on Hakim Optical’s internal balance sheet as of March 31, 2025, there was a related party loan receivable of approximately \$47.7 million and a related party loan payable of approximately \$37.7 million.

- b) The related party loan receivable is from Belize Dive Haven Resort and Marina Limited ("**Dive Haven**"), a related company incorporated in Belize owned directly or indirectly by Sir Hakimi, which owns a resort and marina property in Belize (the "**Resort**"). The Trustee understands that the receivable balance represents payments that had been made by Hakim Optical on behalf of Dive Haven to vendors for work performed at or related to the Resort, with such payments made over a period of more than ten years up to Fiscal 2023, including approximately \$12.8 million since 2020. Other than approximately \$200,000 paid in fiscal 2023, the remainder of the payments were made at a time when, according to its financial statements, Hakim Optical was profitable.
 - c) Approximately \$23 million of the approximately \$25.4 million paid by Hakim Optical in connection with the Resort since fiscal 2017 appears to have been funded by the sale of real property owned by a related party, Evelyn Aimis Holding Inc. ("**Evelyn Aimis**"). The Trustee understands that the related party loan payable of \$37.7 million primarily represents the proceeds from the sale of real property owned by Evelyn Aimis that were deposited to Hakim Optical's bank accounts, with the balance representing rent and other expenses accrued by Hakim Optical for balances owing to Evelyn Aimis.
2. The Trustee has not performed an assessment of the collectability of the related party loan receivable. This matter can be discussed further with inspectors appointed in the estate.
 3. Absent funding, the Trustee does not expect any realizations in respect of the Companies' assets in these bankruptcy proceedings which would result in distributions to creditors.

6.0 Creditors

6.1 Secured Creditors

1. 855 Ontario was the Companies' principal secured creditor and was owed approximately \$24.2 million prior to the closing of the Transaction. 855 Ontario assigned approximately \$22 million of the outstanding loan owed by the Companies to the Purchasers to be used as credit-bid consideration by the Purchasers in satisfaction of the purchase price under the Transaction. After the assignment of the debt, the Trustee understands that 855 Ontario is owed approximately \$2.2 million plus interest and costs.

6.2 Unsecured Creditors

1. Based on the Companies' books and records, the claims of unsecured creditors as at the date of bankruptcy are estimated to total approximately \$14 million across the three estates, comprising landlords, former employees and vendors. The largest individual estate is 9211128 Canada Limited (Hakim Optical), with unsecured claims of approximately \$10.7 million.
2. As noted above, certain employees who were not offered employment by the Purchasers were terminated. These employees may have claims for severance and termination pay though the quantum of these claims has not yet been determined.

3. As a result of the Companies' assignments in bankruptcy, employees terminated during the CCAA proceedings may be eligible to make claims under WEPPA. During the bankruptcy proceedings, the Trustee will assist the Companies' eligible former employees to file claims with Service Canada in order to receive distributions under WEPPA.

7. Books and Records

1. The Trustee is in the process of taking possession of the books and records it requires to complete its duties and obligations under the BIA. The Trustee has requested a copy of the Companies' minute books from the Companies' counsel.

8. Preferences and Transfers at Undervalue

1. Pursuant to the BIA, the Trustee is required to conduct a review for preferences and transfers at undervalue by examining the Companies' bank statements and accounting records for the year preceding the date of the initial bankruptcy event. The Trustee will report on its findings to the inspectors appointed in the estate

9. Anticipated Realization and Projected Distribution

1. As described above, substantially all of the Companies' assets were sold during the CCAA proceedings. Other than as described above, no assets of the Companies remain, and no recoveries are expected in these bankruptcy proceedings. Accordingly, the Trustee does not expect any funds to be available for distribution to unsecured creditors, other than any distributions that may be made to former employees pursuant to WEPPA.

10. Other Matters

1. There are no other matters to report at this time.

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DATED at Toronto, Ontario, this 24th day of June, 2026.

AlixPartners Restructuring, Inc.

**ALIXPARTNERS RESTRUCTURING, INC.,
SOLELY IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE OF
9211128 CANADA LIMITED, 9223142 CANADA LIMITED AND
HAKIM OPTICAL WORLDWIDE LENSES INC.
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITIES**