

**Supplement to the Second  
Report of AlixPartners  
Restructuring, Inc.  
as CCAA Monitor of Paystone  
Holdings Inc., Paystone Inc.,  
Atom Growth Inc. and Atom  
Growth (USA), Inc.**

**June 22, 2026**

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**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 PAYSTONE HOLDINGS INC., PAYSTONE INC., ATOM GROWTH INC.,  
AND ATOM GROWTH (USA), INC.**

**SUPPLEMENT TO THE SECOND REPORT OF  
ALIXPARTNERS RESTRUCTURING, INC. AS  
MONITOR**

**JUNE 22, 2026**

## **1.0 Introduction**

1. This report (the "**Supplemental Report**") supplements the Second Report of the Monitor dated June 19, 2026 (the "**Second Report**") and should be read in conjunction with the Second Report.
2. Unless otherwise stated, capitalized terms used in this Supplemental Report and not otherwise defined have the meanings given to them in the Second Report.

## **1.1 Purposes of this Supplemental Report**

1. The Second Report was filed with the Court in support of a motion by the Applicants for approval of the APA and the Sale Transaction.
2. The purposes of this Supplemental Report are to:
  - a) provide an update on the Sale Hearing, including the materials filed with the Court in connection therewith and the relief being sought by the Applicants at such hearing; and
  - b) provide an update regarding the review of Sandton's loan and security documents conducted by the Monitor's legal counsel.

## **1.2 Restrictions**

1. This Supplemental Report is subject to the restrictions set out in Section 1.2 of the Second Report, which are incorporated herein by reference.

## 2.0 Update on Sale Hearing

### 2.1 BDC Motion

1. On June 19, 2026, counsel to BDC served on the service list in the CCAA Proceedings a responding motion record (the "**BDC Motion**"), including, among other things, an affidavit of I. Malik affirmed June 19, 2026 (the "**Malik Affidavit**"), and a notice of motion for an Order approving a Court-supervised sale and investment solicitation process (the "**Proposed SISP**"), to be heard at the Sale Hearing.
2. BDC opposes the approval of the AVO. In the alternative, BDC seeks: (a) approval of the Proposed SISP, which contemplates, among other things, a Court-supervised sale and investment solicitation process overseen by the Monitor with a qualified bid deadline of July 15, 2026, Court approval of any successful bids by on July 31, 2026 (or such other date as reasonably selected by the Monitor) and an outside date for closing of August 31, 2026; or (b) a further three-week adjournment of the Sale Hearing to allow time for a competing bid to be submitted.
3. The Applicants served reply materials on June 21, 2026. BDC served reply materials early in the morning on June 22, 2026 (the "**BDC Reply**").
4. The BDC Reply attached a revised letter of intent from Shopley Inc. (the "**Revised LOI**"), an entity related to Mr. Steve Levely, the former owner of Ackroo. Among other things, the Revised LOI provides for a cash purchase price of at least \$75 million and for a shortened diligence review period to July 8, 2026. The Monitor notes that the Revised LOI remains subject to a number of conditions, including due diligence and the negotiation of definitive documentation, and that the stated cash consideration under the Revised LOI is less than the outstanding obligations owing by the Applicants to Sandton. The Monitor understands that the Revised LOI is not acceptable to the Applicants and Sandton.
5. The Monitor's views on the appropriateness and feasibility of a Court-supervised sale process in the circumstances of the CCAA Proceedings are set forth in Section 5.1 of the Second Report and remain unchanged, and the Monitor continues to support approval of the APA and the Sale Transaction in the circumstances.

### 2.2 Releases

1. The Applicants served a revised proposed AVO on June 21, 2026.
2. The revised proposed AVO grants certain releases (the "**Releases**") upon closing of the Sale Transaction in favour of (a) the current directors, officers, employees, consultants, legal counsel and advisors of the Applicants; (b) the CRO and its current and former directors, officers, partners, employees, consultants and advisors; (c) the Monitor and its legal counsel and their respective current and former directors, officers,

partners, employees, consultants and advisors (the "**Monitor Released Parties**"); and (d) Sandton, its affiliates, and their respective current and former directors, officers, employees, agents, legal counsel and advisors (collectively, the "**Released Parties**").

3. The proposed Releases do not release: (a) any claim that is not permitted to be released pursuant to section 5.1(2) of the CCAA; (b) any claim with respect to an act or omission that is determined by a court of competent jurisdiction to have constituted actual fraud or wilful misconduct; (c) any post-closing obligations of any of the Released Parties under or pursuant to the APA, the Sale Transaction or the New Credit Agreement (as defined in the APA) and/or any agreement, document, instrument, matter or transaction involving the Applicants entered into pursuant to the APA, the Sale Transaction or the New Credit Agreement; (d) any claim made by CIC Capital Canada Inc., CBGF 2021, LP or Canadian Business Growth Fund, LP in any way relating to or arising from their investment in preferred shares of the Applicants or the settlement of such claims; or (e) other than with respect to the Monitor Released Parties, any claims by or in favour of the Sellers Released Parties (as defined in the Loan Purchase Agreement), or any obligations of any of the Released Parties, other than the Monitor Released Parties, to any of the Sellers Released Parties, all such Claims and obligations being expressly excluded from the Released Claims.
4. The proposed Releases release and discharge the Released Parties from all present and future liabilities and claims arising in connection with or relating to:
  - i. omissions, transactions, offers, dealings or other facts, matters, occurrences or things existing or taking place prior to the delivery of the Monitor's Certificate;
  - ii. the CCAA Proceedings;
  - iii. the Loan Purchase Transaction;
  - iv. the APA;
  - v. the consummation of the Sale Transaction; or
  - vi. any closing document, agreement, instrument, matter or transaction involving the Applicants arising in connection with or pursuant to any of the foregoing.
5. The Monitor understands that each of the proposed Released Parties has made significant contributions to the proposed Sale Transaction that would see the Applicants' business continue as a going concern following closing of the Sale Transaction. In particular, that the directors and officers of the Applicants and the CRO provided important direction leading up to the filing of the CCAA Proceedings, including, among other things, negotiating various extensions and the Syndicate Forbearance Agreement with the

Syndicate and assisting in all respects with the Pre-Filing Process. The professionals benefiting from the Releases were also involved in providing advice and direction to the Applicants in connection with same and were critical to achieving a going-concern outcome that is intended to preserve the Applicants' business and the jobs of the vast majority of the Applicants' employees.

6. The Monitor notes that the proposed Releases are broader in scope than those typically granted in connection with an approval and vesting order.. However, the Monitor also notes that the proposed Releases contain a number of customary carve-outs, including for claims that are not capable of being released under the CCAA and claims arising from actual fraud or wilful misconduct. The Monitor further understands that the Applicants have engaged with stakeholders regarding the scope of the proposed Releases and have made revisions to the proposed AVO in response to concerns raised. In the circumstances, while the appropriateness of the proposed Releases is ultimately a matter for the Court, the Monitor does not oppose the requested relief.

### **2.3 Stay Extension**

1. The Applicants also served a revised proposed Ancillary Order on June 21, 2026.
2. Pursuant to the revised proposed Ancillary Order, the Applicants now seek an extension of the Stay Period to June 30, 2026, and if the Monitor's Certificate is delivered on or before June 30, 2026, an automatic extension of the Stay Period to and including August 22, 2026, without the need for any further Order of the Court.
3. The Monitor's views on the Cash Flow Forecast and an extension of the Stay Period are set forth in Sections 9 and 10 of the Second Report, respectively, and similarly apply to the Stay Period extensions contemplated by the revised proposed Ancillary Order. The Monitor supports the extension of the Stay Period being sought by the Applicants pursuant to the revised Ancillary Order.

### **2.4 Agent's Corrections and Clarifications**

1. Counsel to the Agent has requested that the Monitor advise the Court that the Agent is of the view that the following corrections and clarifications to the Second Report and the BDC Motion, including the Imran Affidavit, should be made to the record before the Court:

#### **Second Report**

- Paragraph 4.0(2): Canaccord was engaged by the Company on its volition. The Syndicate did not request that Canaccord be engaged as financial advisor.

- Paragraph 4.0(5): EY provided a list of 48 targets to Canaccord.
- Paragraph 4.0(9): The Syndicate was unaware of Sandton's involvement prior to mid-March 2026. The Syndicate did not know that Sandton executed an NDA on January 26, 2026.
- Paragraph 4.0(13): The Syndicate did not agree to the Loan Purchase Transaction (defined as the Loan Purchase Agreement and concurrent forbearance with Sandton). The Syndicate was only aware of, and agreed to, the Loan Purchase Agreement.
- Paragraph 5.1(f): Same comment as 4.0(13). Reference to the Loan Purchase Transaction should be replaced with Loan Purchase Agreement.

### **BDC Motion (Imran Affidavit)**

- Paragraph 7(b): The Syndicate did not "pre-emptively" accept a private bilateral proposal. The highest proposal available was accepted by the Syndicate after the expiry of the bid deadline set out in the Syndicate Forbearance Agreement.
- Paragraph 17: The Syndicate did not "increase" the interest rate unbeknownst to BDC. The default interest rate is a term of the Syndicate's credit agreement. The Syndicate also was not receiving scheduled principal repayments throughout this time.
- Paragraph 28: The Agent did not introduce Sandton to the process at all. The Syndicate was introduced by Sandton through the CRO.
- Paragraph 36: The Syndicate had no prior knowledge that a CCAA filing was planned or imminent.
- Paragraph 49: The Syndicate did not have frequent communications with BDC. The last communication between the Agent and BDC was in February 2026, and was in respect of BDC providing the Agent with its counsel information.
- Paragraph 51: The Syndicate did not cut the process short nor did it introduce the "outside bidder".

## **3.0 Security Review**

1. The Monitor's Canadian and US legal counsel have conducted a review of the security granted by the Applicants to the Agent, as assigned to Sandton, and have verbally confirmed to the Monitor that, subject to qualifications, assumptions, limitations and discussions customary in rendering opinions of this nature and applicable in these circumstances, the Monitor's Canadian and US legal counsel are of the view that such security granted by the

Applicants pursuant to (a) the Security Documents<sup>1</sup> (other than the deed of hypothec described below) constitutes valid and enforceable security under the laws of the Provinces of Ontario, and the State of New York, as applicable, in accordance with such security's respective terms, and that the necessary registrations have been made in the Provinces of Ontario and British Columbia, and the State of Delaware (pursuant to New York law),<sup>2</sup> as applicable, in order to perfect or evidence such security; and (b) the deed of hypothec described below constitutes a valid movable hypothec without delivery under the laws of the Province of Quebec and that the necessary registration has been made in the Province of Quebec to render such hypothec opposable against third parties. The Monitor anticipates receiving written opinions from its Canadian and US legal counsel confirming the above in due course.

\* \* \*

All of which is respectfully submitted,

*AlixPartners Restructuring, Inc.*

**ALIXPARTNERS RESTRUCTURING, INC.  
IN ITS CAPACITY AS MONITOR OF  
PAYSTONE HOLDINGS INC., PAYSTONE INC.,  
ATOM GROWTH INC., AND ATOM GROWTH (USA), INC.  
AND NOT IN ITS PERSONAL CAPACITY**

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<sup>1</sup> "Security Documents" means, each in favour of the Agent, as assigned to Sandton, as agent or hypothecary representative, collectively, (a) the general security and pledge agreement from Paystone dated January 7, 2021; (b) the general security agreement from Paystone Holdings dated February 29, 2024; (c) the general security and pledge agreement from Atom Growth Canada dated December 31, 2024; (d) the general security and pledge agreement from Atom Growth USA dated December 31, 2024; and (e) the deed of hypothec on movable property from Paystone dated January 22, 2021.

<sup>2</sup> US legal counsel is waiting to receive for review UCC search results from and after April 9, 2026, but does not expect that such results will change the opinion.

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

Court File No: CL-26-00000261-0000

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR  
ARRANGEMENT OF PAYSTONE HOLDINGS INC., PAYSTONE INC.,  
ATOM GROWTH INC., and ATOM GROWTH (USA), INC.**

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**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)  
PROCEEDING COMMENCED AT TORONTO**

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**SUPPLEMENT TO THE SECOND REPORT OF THE  
MONITOR**

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