Court File No. CV-25-738613-00CL

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 1242939 B.C. UNLIMITED LIABILITY COMPANY, 1241423 B.C. LTD., 1330096 B.C. LTD., 1330094 B.C. LTD., 1330092 B.C. UNLIMITED LIABILITY COMPANY, 1329608 B.C. UNLIMITED LIABILITY COMPANY, 2745263 ONTARIO INC., 2745270 ONTARIO INC., SNOSPMIS LIMITED, 2472596 ONTARIO INC., AND 2472598 ONTARIO INC.

Applicants

SEVENTEENTH REPORT OF THE MONITOR ALVAREZ & MARSAL CANADA INC.

JULY 22, 2026

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1.0 INTRODUCTION

1.1 On March 7, 2025, 1242939 B.C. Unlimited Liability Company (at the time, known as Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI) ("**Hudson's Bay**" or the "**Company**"), and the other applicants listed on **Schedule "A"** hereto (together, the "**Applicants**"), were granted protection under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), pursuant to an initial order (the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**"). The stay of proceedings and other protections and authorizations in the Initial Order were also extended to HBC Holdings LP and the other non-Applicant entities listed on **Schedule "A"** hereto (together with HBC Holdings LP, the "**Non-Applicant Stay Parties**"). Together, the Applicants and the Non-Applicant Stay Parties are referred to herein as "**Hudson's Bay Canada**".[1] In accordance with an Order granted by the Court on June 23, 2025, certain Hudson's Bay Canada entities completed corporate name changes on August 6 and 7, 2025, and again on August 12, 2025. The current names of the Hudson's Bay Canada entities after the name changes on August 12, 2025, are set out on **Schedule "B"** hereto.

1.2 Pursuant to the Initial Order, Alvarez & Marsal Canada Inc. ("**A&M**") was appointed as monitor of the Applicants (in such capacity, the "**Monitor**") in these CCAA proceedings (the "**CCAA Proceedings**").

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[1] The CCAA Proceedings have since been terminated in respect of two Applicants (HBC YSS 1 LP Inc. and HBC YSS 2 LP Inc.), and the stay of proceedings no longer applies in respect of certain of the Non-Applicant Stay Parties (RioCan-HBC Limited Partnership, RioCan-HBC General Partner Inc., HBC YSS 1 Limited Partnership, HBC YSS 1 LP Inc., HBC YSS 2 Limited Partnership, HBC YSS 2 LP Inc., RioCan-HBC Ottawa Limited Partnership, RioCan-HBC (Ottawa) Holdings Inc. and RioCan-HBC (Ottawa) GP, Inc.). The defined terms "Applicants", "Non-Applicant Stay Parties" and "Hudson's Bay Canada" as used in this Report refer to the applicable entities at the relevant times.

1.3 Since the Initial Order was granted, the Court has heard several motions and granted various Orders, and a significant volume of materials have been filed by interested parties in connection therewith. This Report (the "**Seventeenth Report**") does not contain a detailed chronology of these proceedings or the various relief granted. Materials filed in the CCAA Proceedings, including the prior Reports of the Monitor (the "**Prior Reports**") and all endorsements and orders made by the Court, are available on the Monitor's case website at: www.alvarezandmarsal.com/HudsonsBay.

July 27 Motion

1.4 On July 20, 2026, the Applicants served a motion record returnable July 27, 2026, seeking an Order (the "**Transition Order**"), among other things:

(a) authorizing and empowering the Monitor to exercise various enhanced powers, including to:

(i) exercise any powers that may be properly exercised by any board of directors of the Applicants, and take any and all corporate actions and other actions regarding the governance of the Applicants;

(ii) sign such other agreements, documents, instruments and writings on behalf of the Applicants (whether in the Monitor's name or in the name of and on behalf of the Applicants) and execute administrative filings as may be required on behalf of the Applicants;

(iii) conduct, supervise and direct the continuation or commencement of any process or effort to collect or recover any of the Applicants' property or assets, enforce any security of the Applicants, and sell or dispose of such property or other assets;

(iv) take control of the existing bank accounts of the Applicants;

(v) on its own behalf or on behalf of the Applicants, take any actions, or perform any functions or duties, in respect of the Applicants' registered and non-registered pension, savings or retirement plans (including the retirement compensation arrangements), the Hudson's Bay Company Pension Plan Registration Number 0291419 (the "**Pension Plan**"), and the employee life and health trust or any other benefit plans, including by participating in any negotiations, litigation, and/or proceedings (including the contemplated Pension Plan mediation) in connection therewith;

(vi) initiate, prosecute, and/or continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Applicants or the Applicants' property;

(vii) act as an authorized representative of the Applicants in respect of dealings with any taxing or regulatory authority;

(viii) engage, retain or terminate, or cause the Applicants to engage, retain or terminate, the services of any officer, employee, consultant, agent, representative, advisor, legal counsel, or other persons or entities;

(ix) engage, deal, communicate, and negotiate on behalf of the Applicants with FTI Consulting Canada Inc., in its capacity as receiver and manager of all of the assets, undertakings and properties of the JV Entities (as defined below), and Exemplar Luxury Group (formerly known as Saks Global);

(x) designate an authorized representative to have the authority to act on behalf of the Applicants as an authorized signing authority solely as the Monitor may direct;

(xi) sign documentation or take other steps as necessary to cause or implement the winding-up, dissolution or liquidation of any entity affiliated with any of the Applicants;

(xii) have access to all of the Applicants' books and records (including privileged books and records, but requiring the Monitor to maintain such privilege); and

(xiii) apply to the Court for advice and directions or any further orders necessary or advisable to carry out the Monitor's powers and duties under the Transition Order, or any other order of the Court granted in these CCAA Proceedings;

(b) granting ancillary relief to facilitate the Monitor's effective exercise of these enhanced powers and requiring cooperation from various parties;

(c) approving standard protections in favour of the Monitor in connection with its exercise of the enhanced powers; and

(d) providing certain protections in favour of the Applicants' remaining directors, which is expected to be only Thomas Obersteiner.

1.5 In support of the Transition Order, the Applicants filed an affidavit of Thomas Obersteiner sworn July 20, 2026 (the "**Obersteiner Affidavit**").

Purpose of this Report

1.6 The purpose of this Seventeenth Report is to provide the Court with information, and where applicable, the Monitor's views on:

(a) various case updates, including with respect to:

(i) the Royal Trust Motion (as defined below);

(ii) the Saks Global Chapter 11 Proceedings (as defined below);

(iii) the resignation of Reflect Advisors, LLC ("**Reflect**"); and

(iv) the Art Collection Auction (as defined below);

(b) the Transition Order;

(c) the Applicants' cash flow results relative to the Applicants' cash flow forecast attached as Appendix "A" to the Sixteenth Report of the Monitor dated June 24, 2026 (the "**Sixteenth Report**"); and

(d) the Monitor's conclusions and recommendations in connection with the foregoing.

2.0 TERMS OF REFERENCE AND DISCLAIMER

2.1 In preparing this Seventeenth Report, A&M, in its capacity as Monitor, has been provided with, and has relied upon, unaudited financial information and books and records prepared or provided by the Applicants, and has held discussions with various parties, including senior management of, and advisors to, the Applicants (collectively, the "**Information**"). Except as otherwise described in this Seventeenth Report, in respect of the Applicants' cash flow forecast:

(a) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards (the "**CAS**") pursuant to the *Chartered Professional Accountants Canada Handbook* (the "**CPA Handbook**") and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under the CAS in respect of the Information; and

(b) some of the information referred to in this Seventeenth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the CPA Handbook, has not been performed.

2.2 Future oriented financial information referred to in this Seventeenth Report was prepared based on the estimates and assumptions of the Applicants. Readers are cautioned that, since projections are based upon assumptions about future events and conditions that are not ascertainable, actual results will vary from the projections and even if the assumptions materialize, the variations could be significant.

2.3 This Seventeenth Report should be read in conjunction with the Obersteiner Affidavit. Capitalized terms used and not defined in this Seventeenth Report have the meanings ascribed to them in the Obersteiner Affidavit or the Prior Reports, as applicable.

2.4 Unless otherwise stated, all monetary amounts referenced herein are expressed in Canadian dollars.

3.0 CASE UPDATES

Royal Trust Motion

3.1 As discussed in certain of the Prior Reports, on February 13, 2026, counsel to Royal Trust Corporation of Canada ("**Royal Trust**"), the current trustee of four retirement compensation arrangement trusts for current and former employees of Hudson's Bay Canada (the "**HBC RCAs**"), served a motion record, returnable at a date to be determined by the Court, in support of a motion for advice and directions from the Court with respect to various matters related to the HBC RCAs (the "**Royal Trust Motion**"). The Royal Trust Motion seeks the Court's advice and directions in respect of twelve primary questions, along with several potentially relevant follow-up questions. Royal Trust does not provide a view in respect of these questions in its motion materials. In addition to the twelve questions raised by Royal Trust, the Company has also identified certain additional questions that may require the Court's assistance.

3.2 Since the service of that motion, the Monitor and its counsel have had extensive discussions with the Applicants and their counsel, counsel to Royal Trust, and Ursel Phillips Fellows Hopkinson LLP, in its capacity as Employee Representative Counsel (as defined in the

Sixteenth Report). Those discussions remain ongoing, and the Monitor and these stakeholders have narrowed, and are continuing to attempt to narrow, the issues to be determined by the Court on that motion.

3.3 In that regard, a case management conference took place before the Court on June 26, 2026, to discuss certain procedural and timing matters related to the Royal Trust Motion. At that case conference, Employee Representative Counsel presented a proposal with respect to the process and timing of the hearing of certain of the primary questions raised in the Royal Trust Motion (specifically, Questions 1-8 and 10-11 as set out in the Royal Trust Motion, which are expected to be resolved consensually). Employee Representative Counsel proposed that Question 9 be deferred until the issues above are resolved (as the outcome of such issues may impact whether Question 9 remains relevant and needs to be addressed), and that a separate hearing be scheduled at a later date to address Question 12, which is currently expected to be contested.

3.4 Following that case conference, the Court issued an endorsement dated June 26, 2026 (the "**Royal Trust Motion Scheduling Endorsement**"). Among other things, pursuant to that endorsement, the Court:

(a) scheduled a half-day hearing before Justice Steele for September 25, 2026 (the "**September 25 Hearing**") to consider a sub-set of questions that are expected to be put forward with proposed consensus responses;

(b) directed that, to the extent sealing is sought, the party requesting the sealing order shall complete the Notice of Request for Publication Ban form on the Court's website and comply with the specific notice requirements set out under the Consolidated Civil Practice Direction, Part 9 – Publication Bans, paragraphs 113-117;

(c) pending the outcome of the confidentiality and sealing order motion, directed the parties to adopt a protocol for dealing with the evidence on this portion of the Royal Trust Motion that does not involve filing any materials with the Court that contain the evidence sought to be sealed; and

(d) directed the parties to develop a timetable and protocol for briefing this part of the Royal Trust Motion that ensures all materials have been served, filed and uploaded into the appropriate hearing bundle in Case Center by no later than September 23, 2026.

3.5 A copy of the Royal Trust Motion Scheduling Endorsement is attached hereto as **Appendix "A"**.

3.6 On July 17, 2026, Employee Representative Counsel served:

(a) a responding motion record in respect of the Royal Trust Motion;

(b) a motion record seeking an Order authorizing Employee Representative Counsel to file in a supplementary responding motion record a copy of certain redacted employee contracts (the "**Redaction Order**"); and

(c) a factum addressing the Redaction Order.

3.7 On the same date, Employee Representative Counsel also wrote to the Court with a proposed schedule and protocol for addressing various matters in advance of the September

25 Hearing (the “**Schedule and Protocol**”). The Monitor understands that once completed, Employee Representative Counsel will serve the Schedule and Protocol on the CCAA service list.

3.8 The Schedule and Protocol contemplates that the Monitor may file any Report in respect of the September 25 Hearing on or before September 18, 2026. The Monitor currently expects that it will deliver a Report in accordance with the Schedule and Protocol, and will provide further information and its views in respect of the relief sought at such time.

Saks Global Chapter 11 Proceedings

3.9 On January 13 and 14, 2026, Saks Global Enterprises LLC (“**Saks Global**”) and 112 affiliated companies filed voluntary petitions for relief under Chapter 11 before the United States Bankruptcy Court for the Southern District of Texas (the “**Saks Global Chapter 11 Proceedings**”). As noted in certain of the Prior Reports, Saks Global and the Applicants historically shared certain services, and the shared services have been discussed and managed between the Applicants and Saks Global, in consultation with the Monitor, throughout these CCAA Proceedings.

3.10 On June 26, 2026, following the completion of a transaction for its acquisition by new ownership, Saks Global announced that it had emerged from Chapter 11 protection with a significant reduction to its total store count and its overall debt. Going forward, Saks Global will operate under the name Exemplar Luxury Group. Certain shared services arrangements remain in place between the Applicants and Exemplar Luxury Group. The Monitor will continue to oversee these arrangements in connection with the Applicants’ ongoing wind-down, and will update the Court to the extent there is relevant information to share in that regard.

Resignation of Reflect

3.11 As discussed in certain of the Prior Reports, Reflect has acted as financial advisor to Hudson's Bay pursuant to the terms of an engagement agreement dated February 14, 2025, which was approved by the Court pursuant to the Amended and Restated Initial Order granted on March 21, 2025.

3.12 Aside from the remaining issues with respect to the Pension Plan and the Royal Trust Motion, the Applicants' wind-up has largely been completed. As such, the Monitor understands that Reflect has advised the Applicants that it no longer believes it appropriate or prudent for the Applicants to continue to bear the costs of Reflect's assistance in these proceedings. As such, the Applicants and Reflect have mutually agreed for Reflect to resign as financial advisor effective as of July 31, 2026.

Art Collection Auctions[2]

3.13 As described in certain of the Prior Reports, the Art Collection Auction Procedures were approved by the Court on September 25, 2025. The Art Auction Process Order authorized the sale of the Art Collection at a series of auctions and the vesting of items sold at the auctions in the purchasers free and clear of all claims and encumbrances.

[2] Capitalized terms used in this section and not otherwise defined have the meanings ascribed to them in the Fourteenth Report of the Monitor dated March 16, 2026.

3.14 As described in the Sixteenth Report, Heffel, as auctioneer, had distributed aggregate gross proceeds of approximately $9.5 million to the Monitor in respect of the following auctions:

(a) the Live Auction held on November 19, 2025, achieved an aggregate hammer price[3] of approximately $4.9 million;

(b) a series of five online auctions held between December 4, 2025 and April 21, 2026, which together achieved an aggregate hammer price of approximately $3.8 million; and

(c) the Lely Auction, which closed on May 21, 2026, achieved an aggregate hammer price of approximately $180,000.

3.15 Since the date of the Sixteenth Report (June 24, 2026), the Monitor has received final settlement documentation in respect of two further online auctions consisting of:

(a) the sixth online auction, which closed on June 2, 2026 (the "**Sixth Online Auction**"), and achieved an aggregate hammer price of approximately $316,000; and

(b) the seventh online auction, which closed on June 18, 2026 (the "**Seventh Online Auction**"), and achieved an aggregate hammer price of approximately $127,000.

3.16 As of the date of this Report, Heffel, as auctioneer, has distributed aggregate gross proceeds of approximately $9.9 million to the Monitor in respect of the above auctions. The

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[3] Hammer price is exclusive of sales taxes and fees paid to the auctioneer.

distributed amount reflects the aggregate hammer prices inclusive of HST and net of Heffel's commissions and fees.

3.17 The Monitor understands that the final online auction closed on July 2, 2026. The Monitor has not yet received final settlement documentation from Heffel in respect of that auction.

4.0 TRANSITION ORDER

Background

4.1 As discussed in greater detail in the Sixth Report of the Monitor dated July 14, 2025 (the "**Sixth Report**"), on July 8, 2025, Restore Capital, LLC, in its capacity as the agent on behalf of various first-in, last-out secured lenders to Hudson's Bay (in such capacity, the "**FILO Agent**") served a motion record (the "**FILO Motion**") seeking an order, among other things, granting various enhanced powers to the Monitor. The FILO Motion sought various other relief, including in respect of the Central Walk APA and the Central Walk Transaction, each as defined and discussed in greater detail in the Sixth Report.

4.2 The relief sought was opposed by the Applicants, who argued, among other things, that the Applicants' management had acted in good faith, maintained transparency, and worked in consultation with the Monitor throughout the CCAA Proceedings and that it was therefore unnecessary, at that time, for the Monitor's powers to be enhanced.

4.3 In the Sixth Report, the Monitor noted that it may be appropriate at some future point in these CCAA Proceedings for its powers to be enhanced given that, among other things, the Company was no longer operating an active business or pursuing a going concern restructuring. The Monitor therefore indicated that, should the Court determine that a change in the Applicants' governance is necessary, the Monitor was prepared to act in accordance with the terms of the Order sought by the FILO Agent.

4.4 The FILO Motion was ultimately dismissed pursuant to an endorsement of Justice Osborne issued on October 24, 2025.

4.5 Since that time, the CCAA Proceedings have significantly advanced. As noted in the Obersteiner Affidavit, among other things:

(a) the Court has dismissed the Applicants' motion for approval of the Central Walk Transaction, and no appeal has been taken in respect of the Court's decision;

(b) the Art Collection Auction (as defined and discussed most recently in the Sixteenth Report) has largely been completed;

(c) the sale of the Hudson's Bay Company Royal Charter has been completed;

(d) the Applicants have delivered their responding materials in connection with the Proprietary Claims Motion brought by Mr. Robert Turpin (as defined and discussed most recently in the Sixteenth Report);

(e) various Wage Earner Protection Program matters have been addressed and completed;

(f) the Court has approved the Hardship Programs Term Sheet sought by Employee Representative Counsel (as defined and discussed in the Thirteenth Report of the Monitor dated February 9, 2026);

(g) FF&E removal and demolition activities have been completed for all of the Applicants' stores, as well as the stores of the JV Entities[4] in their ongoing receivership proceedings, and signage removal at such stores has largely been completed; and

(h) most recently, following a motion by the Applicants, the Court granted the Pension Plan Representative Counsel Order and the Mediation Order (each as defined in the Sixteenth Report) which collectively provide a procedural framework for the determination of entitlement to the substantial surplus funds that will remain following the wind-up of the Pension Plan (the "**Pension Surplus**").

4.6 As such, limited matters now remain to be addressed in these CCAA Proceedings. The Monitor expects that the focus of these proceedings going forward will be on resolving matters related to the Pension Surplus. Additional items that remain to be addressed in the course of these CCAA Proceedings include:

(a) completing the implementation of the Hardship Programs Term Sheet;

(b) determining the issues raised in the Royal Trust Motion;

(c) attending to remaining matters involving the JV Entities in their ongoing receivership proceedings;

[4] The JV Entities are: 2455034 Ontario Limited Partnership (formerly RioCan-HBC Limited Partnership), 2455034 Ontario Inc. (formerly RioCan-HBC General Partner Inc.), 2491815 Ontario Limited Partnership (formerly HBC YSS 1 Limited Partnership), 2491815 Ontario Inc. (formerly HBC YSS 1 LP Inc.), 2491816 Ontario Limited Partnership (formerly HBC YSS 2 Limited Partnership), 2491816 Ontario Inc. (formerly HBC YSS 2 LP Inc.), 2681842 Ontario Limited Partnership (formerly RioCan-HBC (Ottawa) Limited Partnership), 2681845 Ontario Inc. (formerly RioCan-HBC (Ottawa) Holdings Inc.), and 2681842 Ontario Inc. (formerly RioCan-HBC (Ottawa) GP, Inc.).

(d) determining the FILO Agent's Make-Whole claim, if any, and making additional distributions to the Applicants' secured lenders; and

(e) attending to various CCAA administrative matters, including the disposition of miscellaneous assets.

Transition Order

4.7 The FILO Agent, with the support of Pathlight, contacted the Applicants in June 2026 to renew its request for an expansion of the Monitor's powers. In light of the above, the boards of directors of the Applicants have agreed to facilitate the secured lenders' request, and agreed that it is now an appropriate juncture for the Monitor's powers to be enhanced to assist with the administration of the CCAA Proceedings in an efficient and cost-effective manner. The Applicants are therefore seeking the Transition Order.

4.8 The Monitor understands that, if the Transition Order is granted, the current directors of the Applicants will resign shortly thereafter, and that Thomas Obersteiner has agreed to be appointed as a director and to act as an authorized signatory on a go-forward basis at the request of and to assist the Monitor with its enhanced role. As noted above, the Transition Order will authorize and empower, but not require, the Monitor to exercise various powers on behalf of the Applicants. Importantly, the powers provided for in the Transition Order will allow the Monitor to exercise various powers on behalf of the Applicants, and explicitly authorize the Monitor to act on behalf of the Applicants in these proceedings (including in matters related to the Pension Surplus, the Royal Trust Motion, and the Hardship Programs Term Sheet), and other proceedings, going forward. The Transition Order also ensures that the Monitor will have access to the materials necessary to execute these powers, but makes clear that the Applicants shall remain in possession and control of their property and business.

4.9 The Transition Order requires cooperation from third parties, and also includes standard and reasonable protections in favour of the Monitor to ensure it is protected from liability in its reasonable exercise of its enhanced powers.

4.10 Finally, the Transition Order: (a) provides that each of the Applicants' directors shall have no liability, obligation, or responsibility whatsoever with respect to any matter over which the Monitor or any other person exercises control in accordance with the Transition Order; and (b) authorizes the Applicants' directors to retain counsel, and authorizes and directs the Applicants to pay the accounts of such counsel, subject to approval by the Monitor as to scope and reasonableness. The Monitor is of the view that this provides reasonable and appropriate protection in favour of the Applicants' directors.

4.11 The Monitor was provided an opportunity to review and comment on the form of Transition Order. The Monitor is of the view that the powers set out thereunder will appropriately allow it to attend to remaining matters in these CCAA Proceedings, and provide reasonable protections in the exercise of such powers. The Monitor is satisfied with the form of Transition Order sought by the Applicants, and, should this Court determine that the relief sought is appropriate, the Monitor is prepared to act in accordance with its terms.

5.0 CASH FLOW RESULTS RELATIVE TO FORECAST

5.1 Actual receipts and disbursements for the 5-week period from June 13 to July 17, 2026 (the "**Reporting Period**"), as compared to the cash flow forecast attached as Appendix "A" to the Sixteenth Report (the "**Ninth Updated Cash Flow Forecast**"), are summarized in the following table:

Cash Flow Variance Report			**$000's**
	Actual	**Budget**	**Variance**
Receipts	**604**	**--**	**604**
Disbursements			
Payroll & Benefits	(268)	(312)	44
Wind-down Expenses	(59)	(487)	428
Professional Fees	(1,534)	(1,763)	229
Shared Service Payments	(198)	(455)	257
Interest Payments & Fees	(377)	(459)	82
Total Disbursements	**(2,437)**	**(3,476)**	**1,039**
Net Cash Flow	**(1,833)**	**(3,476)**	**1,643**
Opening Cash Balance	17,720	17,720	--
Net Cash Flow	(1,833)	(3,476)	1,643
FILO Credit Facility Paydown	--	--	--
Closing Cash Balance	**15,887**	**14,244**	**1,643**

5.2 Pursuant to paragraph 22(c) of this Court's endorsement dated March 29, 2025, the Monitor is required to advise the Court if, at any time, actual results vary as compared to the applicable Cash Flow Forecast by 15% or more. Since the filing of the Ninth Updated Cash Flow Forecast, the Monitor notes that, on a net cash flow basis, actual cash flow results have not negatively varied from the applicable Cash Flow Forecast.

5.3 Explanations for the larger variances during the Reporting Period are as follows:

(a) total receipts of approximately $604,000 are comprised of: (i) approximately $412,000 of proceeds from the Sixth Online Auction and the Seventh Online

Auction[5]; and (ii) approximately $192,000 of other miscellaneous receipts and deposit interest earned on the Company's cash balances, neither of which were included in the forecast. The positive receipt variance is permanent;

(b) the positive variance in wind-down expenses of approximately $428,000 is considered a positive timing variance that is expected to reverse in future weeks;

(c) the positive variance in shared service payments of approximately $257,000 is a timing variance that is expected to reverse in future weeks as amounts owed to Saks Global for June 2026 are reconciled and paid; and

(d) the remaining cumulative positive variance of approximately $354,000 is due to professional fees, payroll and benefits, and interest costs incurred being lower than forecast.

5.4 The outstanding principal balance owing to the FILO Lenders under the FILO Credit Facility, excluding the Make-Whole, is approximately $29.5 million.

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[5] Cumulative auction proceeds of approximately $9.9 million (inclusive of HST and net of Heffel's commissions and fees) from the Live Auction, the First Online Auction, the Second Online Auction, the Third Online Auction, the Fourth Online Auction, the Fifth Online Auction, the Sixth Online Auction, the Seventh Online Auction and the Lely Auction (altogether, the "**Art Collection Auctions**") are shown as having been collected and are included in the Company's Closing Cash Balance. However, in accordance with paragraph 11 of the Art Collection Auction Procedure Order, cumulative net proceeds of approximately $6.0 million from the Art Collection Auctions are being held in trust by the Monitor pending further order of the Court or distribution to the FILO Agent. Of the $9.9 million that had been received by the Monitor in trust, the Monitor distributed approximately $2.9 million to the FILO Agent to repay the FILO Credit Facility, and transferred the HST component of the Art Collection Auction proceeds (approximately $1.0 million combined) to the Company for remittance to the CRA (as applicable), excluding HST amounts in connection with the Sixth Online Auction, the Seventh Online Auction, and the Lely Auction.

5.5 Overall, during the Reporting Period, the Company experienced a positive net cash flow variance of approximately $1.6 million. The closing cash balance as of July 17, 2026, was approximately $15.9 million, as compared to the projected cash balance of $14.2 million.

5.6 As previously reported, the Monitor is holding the remaining proceeds from the closing of the Affiliate Lease Assignment Transaction (as defined in the Sixth Report) of $4 million in trust, which was received on June 26, 2025. These funds are incremental to the Company's closing cash balance as of July 17, 2026.

6.0 CONCLUSIONS AND RECOMMENDATIONS

6.1 For the reasons set out in this Seventeenth Report, the Monitor consents to the relief sought by the Applicants and is prepared to act in accordance with the Transition Order.

All of which is respectfully submitted to the Court this 22nd day of July, 2026.

Alvarez & Marsal Canada Inc.,
in its capacity as Monitor of
1242939 B.C. Unlimited Liability Company, et al,
not in its personal or corporate capacity

Per: ______________________
Alan J. Hutchens
Senior Vice-President

Per: ______________________
Greg A. Karpel
Co-President

SCHEDULE A[6]

OTHER APPLICANTS

HBC Canada Parent Holdings Inc.

HBC Canada Parent Holdings 2 Inc.

HBC Bay Holdings I Inc.

HBC Bay Holdings II ULC

The Bay Holdings ULC

HBC Centerpoint GP Inc.

HBC YSS 1 LP Inc.

HBC YSS 2 LP Inc.

HBC Holdings GP Inc.

Snospmis Limited

2472596 Ontario Inc.

2472598 Ontario Inc.

NON-APPLICANT STAY PARTIES

HBC Holdings LP

RioCan-HBC General Partner Inc.

RioCan-HBC Limited Partnership

RioCan-HBC (Ottawa) Holdings Inc.

RioCan-HBC (Ottawa) GP, Inc.

RioCan-HBC (Ottawa) Limited Partnership

HBC Centerpoint LP

[6] This schedule lists the Applicants and Non-Applicant Stay Parties as of the Initial Order. As noted within the Ninth Report, the CCAA Proceedings were terminated in respect of two of the Applicants, and the stay of proceedings no longer applies in respect of several of the Non-Applicant Stay Parties.

The Bay Limited Partnership

HBC YSS 1 Limited Partnership

HBC YSS 2 Limited Partnership

SCHEDULE B

Name Changes for Hudson's Bay Canada Entities

Former Name	New Name	CCAA Status	Effective Date of Name Change
HBC Centrepoint GP Inc.	2745263 Ontario Inc.	Applicant	August 12, 2025
HBC Holdings GP Inc.	2745270 Ontario Inc.	Applicant	August 12, 2025
Hudson's Bay Company ULC Compagnie de la Baie d'Hudson SRI	1242939 B.C. Unlimited Liability Company	Applicant	August 12, 2025
HBC Canada Parent Holdings Inc.	1241423 B.C. Ltd.	Applicant	August 12, 2025
HBC Canada Parent Holdings 2 Inc.	1330096 B.C. Ltd.	Applicant	August 12, 2025
HBC Bay Holdings I Inc.	1330094 B.C. Ltd.	Applicant	August 12, 2025
HBC Bay Holdings II ULC	1330092 B.C. Unlimited Liability Company	Applicant	August 12, 2025
The Bay Holdings ULC	1329608 B.C. Unlimited Liability Company	Applicant	August 12, 2025
2472596 Ontario Inc.	--	Applicant	--
2472598 Ontario Inc.	--	Applicant	--
Snospmis Limited	--	Applicant	--

APPENDIX A
ROYAL TRUST MOTION SCHEDULING ENDORSEMENT

See attached.

ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00738613-00CL **DATE: June 26, 2026**

NO. ON LIST: 3

TITLE OF PROCEEDING: HUDSON'S BAY COMPANY ULC COMPAGNIE DE LA BAIE D'HUDSON SRI; HBC CANADA PARENT HOLDINGS INC; HBC CANADA PARENT HOLDINGS 2 INC; HBC BAY HOLDINGS I INC; HBC BAY HOLDINGS II ULC; HBC HOLDINGS GP INC; THE BAY HOLDINGS ULC; HBC CENTERPOINT GP INC; HBC YSS2LP INC; SN OSPMIS LIMITED; HBC YSS 1 LP INC; 2472596 ONTARIO INC; 2472598 ONTARIO INC v. REVENU QUÉBEC; Chelsey Boucher; Lucio Cammisa; Orazio Mazzotta; Mozac Mohammed-Ali; SCHINDLER ELEVATOR CORPORATION; His Majesty the King in Right of Canada as represented by the Minister of National Revenue; INDO COUNT INDUSTRIES INDIA LIMITED; DIESEL CANADA INC; UNITED STEELWORKERS Local 1-417; LEVI STRAUSS & CO; RICHEMONT CANADA INC; MAPLE LEAF SPORTS & ENTERTAINMENT PARTNERSHIP; HIS MAJESTY THE KING IN RIGHT OF ONTARIO; HIS MAJESTY THE KING IN RIGHT OF MANITOBA; Restore Capital LLC, in its capacity as FILO AGENT; HCS 102, LLC; Tiger Asset Solutions Canada, ULC; 1903 Partners, LLC; WESTCLIFF MANAGEMENT LTD.; GA Group Solutions LLC; ATTORNEY GENERAL OF CANADA; RAPID CONSTRUCTION SOLUTIONS INC.; DKRT FAMILY CORP.; THE ASSOCIATION FOR MANITOBA ARCHIVES; RUBY LIU COMMERCIAL INVESTMENT CORP. ; ROYAL TRUST CORPORATION OF CANADA

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

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ENDORSEMENT OF JUSTICE KIMMEL:

[1] Royal Trust Corporation of Canada ("RT") has brought a motion for advice and directions of the Court in its capacity as trustee of trust funds related to four retirement compensation arrangements ("RCAs") to which former executives of the 1242939 B.C. Unlimited Liability Company (f/k/a Hudson's Bay Company ULC Compagnie De La Baie D'Hudson SRI) and its applicable predecessors (the "Company", together with 1241423 B.C. Ltd., 1330096 B.C. Ltd., 1330094 B.C. Ltd., 1330092 B.C. Unlimited Liability Company, 1329608 B.C. Unlimited Liability Company, 2745263 Ontario Inc., 2745270 Ontario Inc., Snospmis Limited, 2472596 Ontario Inc., and 2472598 Ontario Inc., the "Applicants") are beneficiaries.

[2] The motion deals with the RCAs and associated Supplementary Executive Retirement Plans ("SERPs").

[3] RT is the Trustee of four RCA's, each of which was established for the purpose of holding assets relating to certain benefits accrued under the SERPs for which the Company had promised some portion would be secured or pre-funded. Each RCA was established pursuant to and is governed by its own trust agreement (collectively, the "**Trust Agreements**"). RT was not a party to, nor was it involved in the establishment of any of the SERPs.

[4] After the CCAA filing discussions with the Company regarding the need for an actuary, RT retained Mercer as its actuary to assist with the wind up and distribution of the RCAs and interpretation of the SERPs, effective May 5, 2025.

[5] The Applicants and RT, in consultation with Employee Representative Counsel ("ERC") and the Monitor and its counsel, have compiled an Issues List outlining various questions upon which the court's advice and direction might be sought, given the unique circumstances in which RT finds itself. RT, while the moving party, is not expecting to take a position on the motion.

[6] ERC and the Applicants, in consultation with the Monitor, have reached significant alignment and continue to progress discussions toward a consensus position on the vast majority of the issues.

[7] ERC and the Applicants anticipate being in a position to put forward a consensus position to the Court on the identified Questions 1-8, 10 and 11. They have asked a hearing date to be scheduled in the fall for the court to consider their proposals with respect to these (and any related questions) and they propose to develop a timetable and protocol to conclude their consultations and notify stakeholders and provide an opportunity for them to participate at the hearing of this part of RT's motion. This bifurcated approach makes sense in the particular circumstances of this case.

[8] A half day in person hearing has been scheduled in this matter on September 25, 2026 before Justice Steele to consider a sub-set of questions that are expected to be put forward with proposed consensus responses. It is anticipated that a sealing order will be sought in connection with some of the material for this motion, and the court has directed that the party requesting the sealing order shall complete the Notice of Request for Publication Ban form on the Court's website and comply with the specific notice requirements set out under the Consolidated Civil Practice Direction, Part 9- Publication Bans, paragraphs 113-117.

[9] Pending the outcome of the confidentiality and sealing order motion, the parties will adopt a protocol for dealing with the evidence on this motion that does not involve filing any materials with the court that contain the evidence sought to be sealed. The sealing order request is expected to be narrow and accordingly can be addressed at the hearing of the motion.

[10] The parties shall develop a timetable and protocol for briefing this part of the motion that ensures that all materials (including anticipated further materials from the parties present at this case conference as well as any that any stakeholder may later wish to file in response to this motion) have been served, filed and uploaded into the appropriate hearing bundle in case center by no later than September 23, 2026 at 2:30 p.m. That protocol shall be served on all potentially interested stakeholders sufficiently in advance that they will have a reasonable opportunity to participate, should they wish to do so. The protocol shall include clear instructions for how an interested stakeholder can participate and the timing for such, in an effort to avoid any last-minute adjournment requests.

[11] The parties may arrange a further case conference before either Justice Steele or myself to deal with any scheduling or timetabling matters in connection with RT's motion, including (at the appropriate time) the scheduling of a hearing and timetable for the court to consider any remaining questions that are not covered by the questions expected to be put forward for the court's consideration at this initial return date on September 25, 2026.

Kimmel J.

Date: Jun 26, 2026

Jessica Kimmel

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED, AND IN THE MATTER OF 1242939 B.C. Unlimited Liability Company et al.

Court File No.: CV-25-738613-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceeding commenced at Toronto

SEVENTEENTH REPORT OF THE MONITOR

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