

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

THE HONOURABLE) MONDAY, THE 22ND
JUSTICE J. DIETRICH) DAY OF JUNE 2026

**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 TOYS "R" US (CANADA) LTD. /
TOYS "R" US (CANADA) LTEE (the "Applicant")**

STAY AND DISTRIBUTION ORDER

THIS MOTION made by the Applicant pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order, *inter alia*, (a) approving certain distributions from the proceeds of the sale transaction contemplated by an asset purchase agreement between the Applicant, as vendor, and Ad Populum, LLC, as purchaser, dated June 4, 2026 (the "**AP Transaction**"), and the transaction contemplated by the assignment and assumption of lease between the Applicant, as assignor, and Fox Group Jumbo Canada Inc., as assignee, dated June 10, 2026 (the "**Fox Jumbo Transaction**"), (b) approving the Pre-Filing Report of Alvarez & Marsal Canada Inc. dated February 2, 2026 dated November 27, 2025 (the "**Pre-Filing Report**"), the First Report of Alvarez & Marsal Canada Inc., in its capacity as monitor of the Applicant (in such capacity, the "**Monitor**") dated February 11, 2026 (the "**First Report**"), the Second Report of the Monitor dated March 27, 2026 (the "**Second Report**"), the Third Report of the Monitor dated June 12, 2026 (the "**Third Report**"), and the Report of the Monitor on Related Party Transactions dated June 12, 2026 (the "**Related Party**

Transactions Report”), and the actions, conduct and activities of the Monitor described therein; and (c) extending the Stay Period (as defined in the Amended and Restated Initial Order dated February 13, 2026 (the “**ARIO**”)), was heard this day by judicial videoconference via Zoom.

ON READING the Affidavit of Neil Taylor, sworn June 11, 2026, the Supplementary Affidavit of Neil Taylor, sworn June 17, 2026, the Third Report and appendices and confidential appendices thereto, and on hearing the submissions of counsel for the Applicant, and counsel for the Monitor, and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavits of Matilda Lici sworn June 11, 2026 and June 17, 2026, filed,

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Applicant’s Motion Record is hereby abridged and validated so that this motion is properly returnable today, and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms not otherwise defined herein shall be as defined in the Third Report or the ARIO, as applicable.

APPROVAL OF DISTRIBUTIONS

3. **THIS COURT ORDERS** that the Monitor is hereby authorized and directed to distribute the proceeds of sale from the Fox Jumbo Transaction:
 - (a) first, to satisfy any and all amounts payable under the Administration Charge, including the reasonable fees and disbursements of the Monitor, the Monitor’s counsel, and counsel to the Applicant, to the extent not previously paid; and

- (b) second, the balance of said proceeds to 2625229 Ontario Inc. (the “**DIP Lender**”) in partial satisfaction of amounts owing by the Applicant under the DIP Loan Agreement and secured by the DIP Lender’s Charge.

4. **THIS COURT ORDERS** that the Monitor is hereby authorized and directed to distribute from the cash portion of the proceeds of sale from the AP Transaction to satisfy any and all amounts payable under the Administration Charge, including the reasonable fees and disbursements of the Monitor, the Monitor’s counsel, and counsel to the Applicant, to the extent not previously paid.

5. **THIS COURT ORDERS** that the Monitor is hereby authorized to take all necessary steps and actions to effect each of the distributions set out in paragraphs 3 and 4 above in accordance with the provisions of this Order from time to time, and shall not incur any liability as a result of making any such distributions.

6. **THIS COURT ORDERS** that notwithstanding anything else contained in this Order, each of the distributions provided for in this Order shall be made free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, including, without limiting the generality of the foregoing: (i) the ARIIO; and (ii) all charges, security interests, liens, trusts, or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property or real property registry system.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of this proceeding;
- (b) any application for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (“BIA”) in respect of the Applicant and any bankruptcy order issued pursuant to any such application; and
- (c) any assignment in bankruptcy made in respect of the Applicant,

any distributions made pursuant to this Order are final and irreversible and shall be binding on any trustee in bankruptcy that may be appointed in respect of the Applicant and shall not be void or voidable by creditors of such entity, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall they constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

EXTENSION OF STAY PERIOD

8. **THIS COURT ORDERS** that the Stay Period (as defined in the ARIO) is hereby extended until and including August 31, 2026.

APPROVAL OF THE MONITOR’S ACTIVITIES AND REPORTS

9. **THIS COURT ORDERS** that the Pre-Filing Report, the First Report, the Second Report, the Third Report, and the Related Party Transactions Report, and the conduct and activities of the Monitor as set out therein be and are hereby approved, provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize, in any way, such approvals.

SEALING OF CONFIDENTIAL APPENDICES

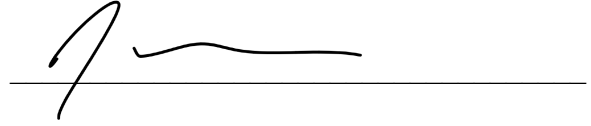
10. **THIS COURT ORDERS** that each of the Confidential Appendices to the Third Report, shall be and is hereby sealed, kept confidential, and shall not form part of the public record until:

- (a) in the case of Confidential Appendices “C”, “D” and “E”, until the closing of the AP Transaction, the Fox Jumbo Transaction and the 262 Transaction (as defined below), respectively, or further Order of this Court; and
- (b) in the case of Confidential Appendices “B”, “F” and “G”, until the closing of the AP Transaction, the Fox Jumbo Transaction, and the transaction contemplated by the asset purchase agreement between the Applicant, as vendor, and 2625229 Ontario Inc., as purchaser, dated June 11, 2026, as assigned pursuant to the Assignment and Assumption Agreement dated June 17, 2026 (the “**262 Transaction**”), or further Order of this Court.

GENERAL

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Applicant, the Monitor and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Applicant and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Applicant, the Monitor, and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that this Order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in black ink is positioned above a solid horizontal line. The signature consists of a large, stylized initial 'J' followed by a series of connected, wavy lines that extend to the right.

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1985, c. C-36, AS AMENDED

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(CANADA) LTEE

Court File No. CL-26-00000042-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

STAY AND DISTRIBUTION ORDER

AIRD & BERLIS LLP

Brookfield Place
181 Bay Street, Suite 1800
Toronto, ON M5J 2T9

Ian Aversa (LSO #55449N)

Tel: (416) 865-3082
Email: iaversa@airdberlis.com

Matilda Lici (LSO #79621D)

Tel: (416) 865-3428
Email: mlici@airdberlis.com

Samantha Hans (LSO #84737H)

Tel: (437) 880-6105
Email: shans@airdberlis.com

*Counsel for the Applicant, Toys "R" Us (Canada) Ltd. / Toys
"R" Us (Canada) Ltee*