

**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 THE BODY SHOP CANADA LIMITED, IN  
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**SUPPLEMENT TO THE SECOND REPORT OF THE MONITOR  
ALVAREZ & MARSAL CANADA INC.**

**DECEMBER 12, 2024**

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## **APPENDICES**

**Appendix A – Amending Agreement dated as of December 11, 2024**

## **1.0 INTRODUCTION**

- 1.1 This report is a supplement (the “**Supplemental Report**”) to the Second Report dated December 9, 2024 (the “**Second Report**”) of Alvarez & Marsal Canada Inc., in its capacity as Monitor (in such capacity, the “**Monitor**”) of The Body Shop Canada Limited (“**TBS Canada**” or the “**Company**”) in the proceeding commenced by TBS Canada under the *Companies’ Creditors Arrangement Act*, RSC 1985, c. C-36.
- 1.2 This Supplemental Report should be read in conjunction with: (i) the Second Report; and (ii) the Affidavit of Jordan Searle, General Manager of the Company, sworn December 7, 2024 (the “**Seventh Searle Affidavit**”). Capitalized terms used and not defined in this Supplemental Report have the meanings given to them in the Seventh Searle Affidavit (including the Exhibits thereto) or the Second Report, as applicable. This Supplemental Report is also subject to the same terms and conditions as the Second Report.
- 1.3 The purpose of this Supplemental Report is to provide additional information to this Court with respect to amendments that were made to provisions and schedules of the APA.

## **2.0 AMENDMENTS TO THE TERMS OF THE APA**

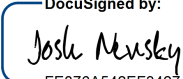
- 2.1 The Purchaser and TBS Canada have entered into an Amending Agreement dated as of December 11, 2024 (the “**Amending Agreement**”), amending the APA to reflect the delivery of the Updated APA Schedules (as defined below) and certain other amendments to the APA, a copy of which is attached hereto as **Appendix “A”**.
- 2.2 Pursuant to the terms of the APA, Body and Lotion Inc. (previously 1001072685 Ontario Inc., the “**Purchaser**”) was required to provide TBS Canada with a finalized list of any

Purchased Locations, Assumed Contracts and Excluded Contracts, in each case, by no later than December 11, 2024 (the “**Updated APA Schedules**”). The Amending Agreement replaces the prior schedules with the Updated APA Schedules. Contract counterparties are encouraged to review the Updated APA Schedules. TBS Canada and the Purchaser have advised that the schedules to the proposed Assignment Order and Approval and Vesting Order will be updated as necessary. The Updated APA Schedules disclose that the Purchaser will assume 59 Purchased Locations and certain storage leases.

- 2.3 The Amending Agreement also contains certain limited amendments to the closing deliverables. The APA required as a condition of closing that, among other things, the Purchaser and UK Purchaser had entered into the Franchise Agreement and a related transition services agreement. The Purchaser and the UK Purchaser have advised that the services agreement has been incorporated into the Franchise Agreement. In addition, the Purchaser and UK Purchaser confirmed that if the Declaration Order is granted, they will execute the Franchise Agreement in escrow, to be released at Closing.

All of which is respectfully submitted to the Court this 12<sup>th</sup> day of December, 2024.

**Alvarez & Marsal Canada Inc.,  
solely in its capacity as Monitor of The Body Shop Canada Limited,  
and not in its personal or corporate capacity**

Per:   
FE876A542EF3427...  
Josh Nevsky  
Senior Vice-President

## **APPENDIX “A”**

## AMENDING AGREEMENT

**THIS AGREEMENT** made as of the 11th day of December, 2024,

BETWEEN:

**THE BODY SHOP CANADA LIMITED,**  
a corporation existing under the laws of Canada,  
  
(hereinafter referred to as “**Seller**”),

- and -

**BODY AND LOTION INC.,**  
formerly 1001072685 Ontario Inc., a corporation  
existing under the laws of the Province of Ontario,  
  
(hereinafter referred to as “**Purchaser**”).

WHEREAS Seller and Purchaser entered into an asset purchase agreement dated as of December 6, 2024 (the “**Asset Purchase Agreement**”) pursuant to which Purchaser agreed to purchase from Seller, and Seller agreed to sell, transfer and assign to Purchaser, the Purchased Assets and Purchaser agreed to assume the Assumed Liabilities, in each case on the terms and subject to the conditions set out in the Asset Purchase Agreement;

AND WHEREAS Seller and Purchaser have agreed to amend certain Schedules to and adjust certain closing conditions set out in the Asset Purchase Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSES THAT in consideration of the respective covenants and agreements of the parties herein contained and for other good and valuable consideration (the receipt and sufficiency of which are acknowledged by each party), the parties agree as follows:

### 1. Defined Terms

Capitalized terms used but not otherwise defined herein shall have the respective meanings given to such terms in the Asset Purchase Agreement.

### 2. Amendments to the Asset Purchase Agreement

- (a) Section 6.3(g) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

“(g) a written confirmation from the Purchaser and the TBS International to Seller that the Franchise Agreement, which includes a list of transitional services appended thereto as a schedule, has been executed in escrow by each party thereto and that such agreement will be automatically released from escrow at Closing, provided that the condition set forth in Section 6.2(f) has been satisfied;”;

- (b) Section 6.4(e) of the Asset Purchase Agreement is deleted in its entirety and replaced with the following:

“(e) Purchaser, or an Affiliate thereof, and TBS International have executed in escrow a master franchise agreement in the form and on the terms of the Form of Franchise Agreement (the “**Franchise Agreement**”) and shall have agreed to release the Franchise Agreement from escrow concurrently with the Closing, provided that the condition set forth in Section 6.2(f) has been satisfied;”;
- (c) Section 6.3(h) of the Asset Purchase Agreement is deleted in its entirety and replaced with “[Intentionally Deleted]”;
- (d) Schedule 1.1(c) to the Asset Purchase Agreement is deleted in its entirety and replaced with Schedule 1.1(c) to this Agreement;
- (e) Schedule 2.1(e) to the Asset Purchase Agreement is deleted in its entirety and replaced with Schedule 2.1(e) to this Agreement; and
- (f) Schedule 2.2(m) to the Asset Purchase Agreement is deleted in its entirety and replaced with Schedule 2.2(m) to this Agreement.

### **3. Reference to and Effect on the Asset Purchase Agreement**

Except as expressly set forth herein, this Agreement shall not by implication or otherwise alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Asset Purchase Agreement, all of which shall continue to be in full force and effect. On and after the date hereof, the Parties agree that each reference in the Asset Purchase Agreement to “this Agreement,” “hereunder,” “hereof,” “herein” or words of like import, and each reference to the Asset Purchase Agreement in any other agreements, documents or instruments executed and delivered pursuant to, or in connection with, the Asset Purchase Agreement, will mean and be a reference to the Asset Purchase Agreement as amended by this Agreement.

### **4. Governing Law**

This Agreement shall be interpreted and enforced in accordance with, and the respective rights and obligations of the Parties shall be governed by, the Laws of the Province of Ontario and the federal Laws of Canada applicable in that province.

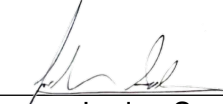
### **5. Counterparts**

This Agreement and all documents contemplated by or delivered under or in connection with this Agreement may be executed and delivered in any number of counterparts, with the same effect as if all Parties had signed and delivered the same document, and all counterparts shall be construed together to be an original and will constitute one and the same agreement.

(The remainder of this page is intentionally left blank; signature page follows.)

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

**THE BODY SHOP CANADA LIMITED**

by   
Name: Jordan Searle  
Title: General Manager

**BODY AND LOTION INC.**

by \_\_\_\_\_  
Name: Michael Serruya  
Title: Authorized Signatory

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

**THE BODY SHOP CANADA LIMITED**

by \_\_\_\_\_  
Name: Jordan Searle  
Title: General Manager

**BODY AND LOTION INC.**

by  \_\_\_\_\_  
Name: Michael Serruya  
Title: Authorized Signatory

**Schedule 1.1(c)  
Purchased Locations<sup>1</sup>**

Store #	Province	Store Name	Landlord
1453	AB	Market Mall	Cadillac Fairview
1498	AB	Southgate Centre	JLL / Ivanhoe Cambridge
1779	AB	Crossiron Mills	JLL / Ivanhoe Cambridge
1706	AB	Prairie Mall	Morguard
1442	AB	Kingsway Mall	Oxford Properties
1497	AB	Southcentre	Oxford Properties
320	AB	St. Albert Centre	Primaris
1726	AB	Sherwood Park Mall	Primaris
391	AB	Outlet Collection at Edmonton	Simon
1935	AB	West Edmonton Mall	Triple Five Group / West Edmonton Mall
1469	BC	Pacific Centre	Cadillac Fairview
1683	BC	Richmond Centre	Cadillac Fairview
1518	BC	Woodgrove Centre	Central Walk
1400	BC	Mayfair Shopping Centre	Central Walk
1401	BC	Aberdeen Mall	Cushman & Wakefield
1459	BC	Metropolis at Metrotown	JLL / Ivanhoe Cambridge
1942	BC	Guildford Town Centre	JLL / Ivanhoe Cambridge
1648	BC	Mcarthurglen Designer Outlet	McArthur Glen
1421	BC	Coquitlam Centre	Morguard
1476	BC	Pine Centre	Morguard
1495	BC	Sevenoaks Shopping Centre	Morguard
1466	BC	Orchard Park	Primaris
1516	BC	Willowbrook Shopping Centre	Quadreal
1503	MB	St. Vital Centre	BentallGreenOak
1482	MB	Polo Park Shopping Centre	Cadillac Fairview
350	MB	Outlet Collection at Winnipeg	JLL / Ivanhoe Cambridge
1441	MB	Kildonan Place	Primaris
1431	NB	Regent Mall	Primaris
1458	NS	Mic Mac Mall	Cushman & Wakefield
304	NS	Halifax Shopping Centre	Primaris
1428	ON	Fairview Mall	Cadillac Fairview
1454	ON	Markville Shopping Centre	Cadillac Fairview
1456	ON	Masonville Place	Cadillac Fairview
1508	ON	Toronto Eaton Centre	Cadillac Fairview
1404	ON	Bayshore Shopping Centre	Cushman & Wakefield

<sup>1</sup> Expired leases are still occupied and are currently month-to-month.

1427	ON	Erin Mills Town Centre	Cushman & Wakefield
1452	ON	Mapleview Shopping Centre	JLL / Ivanhoe Cambridge
1467	ON	Oshawa Centre	JLL / Ivanhoe Cambridge
1581	ON	The Outlet Collection at Niagara	JLL / Ivanhoe Cambridge
1650	ON	Vaughan Mills	JLL / Ivanhoe Cambridge
1409	ON	Bramalea City Centre	Morguard
1501	ON	St. Laurent Centre	Morguard
1438	ON	Hillcrest Mall	Oxford Properties
1493	ON	Scarborough Town Centre	Oxford Properties
1500	ON	Square One Shopping Centre	Oxford Properties
1510	ON	Upper Canada Mall	Oxford Properties
1876	ON	Yorkdale Shopping Centre	Oxford Properties
1423	ON	Devonshire Mall	Primaris
1462	ON	New Sudbury Centre	Primaris
1675	ON	Quinte Mall	Primaris
1815	ON	Conestoga Mall	Primaris
715	ON	Georgian Mall	RioCan
1465	ON	Oakville Place	RioCan
1584	ON	Ottawa Outlets	RioCan-Tanger
1585	ON	Cookstown Outlets	RioCan-Tanger
1475	ON	Pickering Town Centre	Salthill
1968	ON	Toronto Premium Outlets	Simon
1515	ON	White Oaks Mall	Westdell Development Corp.
1499	SK	Southland Mall	Salthill

All storage leases except for those listed in Schedule 2.2(m).

**Schedule 2.1(e)  
Assumed Contracts**

#	Description of Agreement
1.	All leases referred to in Schedule 1.1.(c).
2.	All storage locations not expressly listed under Schedule 2.2(m).
3.	Employer Services Master Services Agreement between ADP Canada and The Body Shop Canada Limited, effective June 24, 2010.
4.	Master Communications Agreement between Bell Canada and The Body Shop Canada Limited, effective December 8, 2009.
5.	Term Pricing Services Agreement between Quality and Compliance Services, Inc. and The Body Shop Canada Limited, effective July 22, 2004.
6.	Independent Contractor Agreement between Jennifer Wale and The Body Shop Canada Limited, effective March 15, 2024.
7.	Independent Contractor Agreement between Susan Mui and The Body Shop Canada Limited, effective March 15, 2024.
8.	Independent Contractor Agreement between Marsha Jeffrey and The Body Shop Canada Limited, effective March 14, 2024.
9.	Independent Contractor Agreement between Steven Siminerio and The Body Shop Canada Limited, effective October 15, 2024.
10.	Independent Contractor Agreement between Claudia Liu and The Body Shop Canada Limited, effective March 15, 2024.
11.	Independent Contractor Agreement between Liam Benson and The Body Shop Canada.
12.	Independent Contractor Agreement between Walter Boggs and The Body Shop Canada.
13.	Master Equity Vehicle Lease Agreement between Enterprise Fleet Management Canada, Inc. and The Body Shop Canada Limited, effective March 28, 2013.
14.	Agreement between Lumen Technologies // Colt Technology Services and The Body Shop Canada Limited re: server hosting services.
15.	Agreement between ABC Security Access Systems and The Body Shop Canada Limited re: security system installation service.
16.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing serial no. 5N1AT2MV9LC775456.

17.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. N8BT3BB9PW198055.
18.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd re: vehicle bearing serial no. JN8BT3BB8PW199620.
19.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. YV4ER3XK5R2253723.
20.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. 5N1AT2MV9LC769009.
21.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N JN8BT3BB2PW198365.
22.	Lease Agreement between Enterprise Fleet Management Canada, Inc and The Body Shop Canada Ltd. re: vehicle bearing V.I.N. JN8BT3BB1PW198454.

**Schedule 2.2(m)**  
**Excluded Contracts**

1. All contracts between Seller and any current or previous Affiliate of Seller, including the Selective Master Distribution & Franchise Agreement between Seller and the UK Parent effective as of October 4, 2024, including, but not limited to the following:
  - a. Selective Master Distribution & Franchise Agreement between Seller and the UK Parent effective as of October 4, 2023;
2. Third party logistics arrangement between Seller and National Logistics Services;
3. Commercial Account New Service Form and Letter of Agency effective as of September 21, 2015 between Granite Telecommunications, LLC and The Body Shop Canada Limited;
4. Services Agreement effective as of June 12, 2019 between Retail Services Group USA LLC and The Body Shop Canada Limited;
5. Maintenance/Service Agreement between Retail Directions (POS/RMS System) and The Body Shop Canada Limited;
6. Agreement between Adyen and The Body Shop Canada Limited re: payment processing;
7. Agreement between TELUS Mobile and The Body Shop Canada Limited re: employee wireless phones;
8. All contracts, including but not limited to leases, utilities agreements, and business licenses, in respect of Excluded Locations;
9. Employment contracts related to Employees that are not Transferred Employees;
10. Lease agreement between Enterprise Fleet Management Inc, and the Body Shop re: vehicle bearing serial no. JN8BT3BB2PW198219;
11. Any contracts related to Excluded Assets;
12. All contracts with the following parties:

407ETR
Acc On Demand Inc.
Alberta Tax Instalments
Amazon Media Group Canada, Inc.
American Express
Aon Reed Stenhouse Inc.
Asca Office Solutions
Bc Recycling & Trucking
Blackhawk Network Canada Ltd
Boston Barricade Company Inc.
Brinks Canada Limited

Cambria Design Build Ltd.
CAMPBELL STRATEGIES
Canadian Parks & Wilderness Society
Canadian Womens Foundation
Carolina Handling LLC
CDN Federation of Humane Societies
Cdw Canada Corp
Coyote Logistics LLC
Crawford Sprinkler Co of Raleigh
DAWN US HOLDINGS LLC
Day & Ross Inc
Dehaan Design Company Incorporated
Delta Sierra Construction
DSV Air & Sea Inc
ECREBO LIMITED
ERNST AND YOUNG LLP
Escential Limited
Freshco Retail Maintenance
Google LLC
GRANITE TELECOMMUNICATION
Gtaa Parking Acct#122
GUUSTO GIFTS INC.
Health Canada
Hughes Network Systems Llc
ICON Digital Productions Inc.
IGB-CSA Canada
iProspect (CAD)
Jocelyne Demers-Owoka
JONES LANG LASALLE
Jross Retail Recruiters Inc.
Julie Sheldon Consulting Ltd
Jungle Media Inc.
Kodi Collective
Lowe-Martin Company Inc
MacIntyre Communications
Marsh Canada Limited
Meta Platforms, Inc
MICROSOFT ONLINE, INC.
Ministry Of Finance Quebec
MOOD MEDIA NORTH AMERICA LLC
National Dispatch Services Limited
National Logistics Services Inc.
NSW WIRES

Olympic Dust Control
ON-SITE GROUP, INC
Plan International Canada Inc.
Prodigy Construction Inc.
PUROLATOR INC.
RECEIVER GENERAL
Recycle BC (MMBC Recycling Inc)
RESOURCE PRODUCTIVITY RECOVERY AUTH
Retail Services Group USA LLC
ROBERT HALF INTERNATIONAL
RTC
RTC Industries Inc
SaleCycle Ltd.
Sarjoun Faour
Schenker Ltd
STIKEMAN ELLIOTT LLP
Simona Sund Architect
Southport Graphics
Stewardships Ontario
St. Michaels Strategies
STOREFORCE SOLUTIONS INC.
SUNSET SIGN CO LTD
TELUS
TelUS Health (Canada)
TFORCE INTEGRATED SOLUTIONS
Trim Interior Contracting Ltd.
Uber Castor Canada Inc
Uline
UPS Canada
Wis International

13. All leases for the following storage locations:

Store	Store Name	Landlord	Unit #
350	Outlet Collection at Winnipeg	JLL / Ivanhoe Cambridge	D112A
1402	Avalon Mall	Crombie	S060
1404	Bayshore	Cushman & Wakefield	S102
1409	Bramalea City Centre	Morguard	834B
1427	Erin Mills	Cushman & Wakefield	ES05
1431	Regent Mall	Primaris	STB20
1438	Hillcrest Mall	Oxford Properties	S017A
1441	Kildonan Place - store has 2 units	Primaris	S10

1442	Kingsway Mall	Oxford Properties	903
1447	Lime Ridge Mall	Cadillac Fairview	S237C
1449	Lougheed Town Centre	Shape	1003
1452	Mapleview Centre	JLL / Ivanhoe Cambridge	S20
1456	Masonville Place	Cadillac Fairview	S015D
1456	Masonville Place	Cadillac Fairview	S080I
1458	Mic Mac Mall	Cushman & Wakefield	s-38C
1462	New Sudbury Centre	Primaris	S021
1465	Oakville Place	RioCan	??
1466	Orchard Park Shopping Centre	Primaris	5630
1472	Park Royal Shopping Centre	Larco	locker #4
1474	Pen Centre	BentallGreenOak	71S
1475	Pickering Town Centre	Salthill	8038
1476	Pine Centre	Morguard	S05
1476	Pine Centre	Morguard	S04
1482	Polo Park Shopping Centre	Cadillac Fairview	SO02N
1493	Scarborough Town Centre	Oxford Properties	817
1495	Seven Oaks Shopping Centre	Morguard	Corridor F, #6
1497	Southcentre Mall	Oxford Properties	868
1503	St. Vital Centre	BentallGreenOak	823
1506	Sunnyside Mall	2023011 Ontario Ltd. - Fishman Group	0001
1508	Toronto Eaton Centre	Cadillac Fairview	L1BL3 and RP02
1510	Upper Canada Mall	Oxford Properties	FS20C
1515	White Oaks Mall	Westdell Development Corp.	A6
1518	Woodgrove Shopping Centre	Central Walk	S16
1518	Woodgrove Shopping Centre	Central Walk	S16
1521	Bower Place	Quadreal	S101-2
1650	Vaughan Mills	JLL / Ivanhoe Cambridge	MS11
1675	Quinte Mall	Primaris	S20A
1683	Richmond Centre	Cadillac Fairview	M005S
1726	Sherwood Park Mall	Primaris	ST58D
1742	Cambridge Centre	Morguard	S116
1743	Charlottetown Mall	Killam Investments (PEI) Inc.	Food Court Basement
1779	Crossiron Mills	JLL / Ivanhoe Cambridge	S895
1815	Conestoga Mall	Primaris	S43
1876	Yorkdale Shopping Centre	Oxford Properties	890
1942	Guildford Town Centre	JLL / Ivanhoe Cambridge	601

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

**IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF THE BODY SHOP CANADA LIMITED, IN  
THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

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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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corporate capacity.