

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

THE HONOURABLE MR.

WEDNESDAY, THE 4TH

JUSTICE KOEHNEN

DAY OF AUGUST, 2021



**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 YATSEN GROUP OF COMPANIES
INC., SAR REAL ESTATE INC. AND THE COMPANIES
LISTED IN SCHEDULE "A"**

CLAIMS PROCEDURE ORDER

THIS MOTION, made by Yatsen Group of Companies Inc. ("**YGC**"), SAR Real Estate Inc. and the companies listed in Schedule "A" hereto (collectively, the "**Applicants**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an Order establishing a claims procedure for the identification and quantification of certain claims against the Applicants and their directors and officers was heard this day by video conference at Toronto, Ontario.

ON READING the Notice of Motion of the Applicants, the Affidavit of Joseph McCullagh sworn July 29, 2021, including the exhibits thereto, and the Fifth Report of Alvarez & Marsal Canada Inc., in its capacity as Monitor (the "**Monitor**") dated July 29, 2021, and on hearing the submissions of counsel for the Applicants, counsel for the Monitor, and such other

counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service of Andrew Harmes sworn July 29, 2021, filed,

SERVICE

1. THIS COURT ORDERS that the time for service of the Notice of Motion and Motion Record herein be and is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS AND INTERPRETATION

2. THIS COURT ORDERS that, for the purposes of this Order (this “**Claims Procedure Order**”), in addition to terms defined elsewhere herein, the following terms shall have the following meanings:
 - (a) “**Affected Landlord Claims**” means all Claims by Landlords against one or more of the Applicants that are not Unaffected Claims, including, for certainty, the Existing Allowed Landlord Claims;
 - (b) “**Affected Landlord Creditor**” means a Landlord holding an Affected Landlord Claim, but only in respect of and to the extent of its Affected Landlord Claim, including, for certainty, an Existing Allowed Landlord Creditor;
 - (c) “**Amended and Restated Initial Order**” means the Amended and Restated Initial Order granted in these CCAA Proceedings under the CCAA dated February 2, 2021, as amended, restated or varied from time to time;
 - (d) “**Applicants**” has the meaning set forth in the preamble of this Claims Procedure Order;

- (e) “**Business Day**” means a day, other than a Saturday, Sunday or a statutory holiday on which banks are generally open for business in Toronto, Ontario;
- (f) “**CCAA**” has the meaning set forth in the preamble of this Claims Procedure Order;
- (g) “**CCAA Proceedings**” means the within proceedings commenced by the Applicants under the CCAA under Court File No. CV-21-00655505-00CL;
- (h) “**Claim**” means:
 - (i) any right or claim of any Person against any of the Applicants, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Applicant in existence on the Filing Date, and costs payable in respect thereof, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Applicants with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts that existed prior to the Filing Date and any other claims that would have

been claims provable in bankruptcy had such Applicant become bankrupt on the Filing Date;

- (ii) any right or claim of any Person against any of the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any such Applicant to such Person arising out of the restructuring, disclaimer, resiliation, termination or breach by such Applicant on or after the Filing Date of any contract, lease or other agreement whether written or oral (each, a “**Restructuring Period Claim**”, and collectively, the “**Restructuring Period Claims**”); and
- (iii) any right or claim of any Person against one or more of the Directors and/or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a “**D&O Claim**”, and collectively, the “**D&O Claims**”), in each case other than any Unaffected Claim;

- (i) **“Claims Bar Date”** means 5:00 p.m. on September 1, 2021;
- (j) **“Claims Officer”** means an individual that is agreed to by the Applicants and the Monitor, acting reasonably, or otherwise appointed by the Court from time to time on application by the Applicants, to adjudicate a Disputed Claim(s) pursuant to paragraphs 33 to 37 hereof;
- (k) **“Claims Package”** means the materials to be provided to Landlords who may have a Claim in accordance with this Claims Procedure Order (other than the Existing Allowed Landlord Creditors), which materials shall include a Notice of Claim, a Notice of Dispute of Claim, an Instruction Letter, and such other materials as the Applicants, with the consent of the Monitor, may consider appropriate or desirable;
- (l) **“Claims Schedule”** means a list of all Landlords, other than the Existing Allowed Landlord Creditors, prepared as at the date hereof by the Applicants, with the assistance of the Monitor, showing the name, last known address, last known fax number and last known email address of each such Landlord, to the extent such information is available in the books and records of the Applicants (except that where such Landlord is represented by counsel known by the Applicants, the address, fax number and email address of such counsel may be substituted) and the amount of each such Landlord’s Affected Landlord Claim against the applicable Applicant(s) as determined by the Applicants in consultation with the Monitor;
- (m) **“Court”** means the Ontario Superior Court of Justice (Commercial List);

- (n) **“Creditors’ Meeting”** means the virtual meeting of the Affected Landlord Creditors of the Applicants called for the purpose of considering and voting in respect of a Plan pursuant to the Meeting Order;
- (o) **“D&O Claim”** has the meaning ascribed to that term in paragraph 2(h)(iii) of this Claims Procedure Order;
- (p) **“D&O Claim Instruction Letter”** means the letter containing instructions for the completion of the D&O Proof of Claim, substantially in the form attached as Schedule “E” hereto;
- (q) **“D&O Notice of Dispute of Revision or Disallowance”** means the notice referred to herein, substantially in the form attached as Schedule “H” hereto, which must be duly completed and delivered to the Monitor by any Landlord asserting a D&O Claim (other than any Existing Allowed Landlord Creditor) wishing to dispute a D&O Notice of Revision or Disallowance, with reasons for its dispute;
- (r) **“D&O Notice of Revision or Disallowance”** means the notice referred to herein, substantially in the form attached as Schedule “G” hereto, advising a Landlord asserting a D&O Claim (other than any Existing Allowed Landlord Creditor) that the Applicants, with the consent of the Monitor, have revised or rejected all or part of such Landlord’s D&O Claim set out in its D&O Proof of Claim;
- (s) **“D&O Proof of Claim”** means the proof of claim referred to herein to be filed by any Landlord asserting a D&O Claim (other than any Existing Allowed Landlord

Creditor) against any of the Directors and/or Officers of any of the Applicants, substantially in the form attached as Schedule “F” hereto, and which shall include all available supporting documentation in respect of such D&O Claim;

- (t) **“Director”** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the Applicants, in such capacity;
- (u) **“Disputed Claim”** means a Disputed Voting Claim or a Disputed Distribution Claim (and for certainty does not include any Existing Allowed Landlord Claim);
- (v) **“Disputed D&O Claim”** means a D&O Claim, or such portion thereof, which is not barred by any provision of this Claims Procedure Order, which is validly disputed in accordance with this Claims Procedure Order and which remains subject to adjudication in accordance with this Claims Procedure Order;
- (w) **“Disputed Distribution Claim”** means an Affected Landlord Claim, or such portion thereof, that is not barred by any provision of this Claims Procedure Order, that has not been allowed as a Distribution Claim, that is validly disputed for distribution purposes in accordance with this Claims Procedure Order and that remains subject to adjudication for distribution purposes in accordance with this Claims Procedure Order (and for certainty does not include any Existing Allowed Landlord Claim);
- (x) **“Disputed Voting Claim”** means an Affected Landlord Claim, or such portion thereof, that is not barred by any provision of this Claims Procedure Order, that

has not been allowed as a Voting Claim, that is validly disputed for voting purposes in accordance with this Claims Procedure Order and that remains subject to adjudication for voting purposes in accordance with this Claims Procedure Order (and for certainty does not include any Existing Allowed Landlord Claim);

- (y) **“Distribution Claim”** means an Affected Landlord Claim, or such portion thereof, that is not barred by any provision of this Claims Procedure Order and that has been finally determined and accepted for distribution purposes in accordance with this Claims Procedure Order and the CCAA (including, for certainty, the Existing Allowed Landlord Claims);
- (z) **“Existing Allowed Landlord Claim”** means a Claim of a Landlord against one or more of the Applicants that, as at the date of this Claims Procedure Order, has been agreed to in writing by such Landlord and the applicable Applicant(s), and consented to by the Monitor for voting and distribution purposes;
- (aa) **“Existing Allowed Landlord Creditor”** means a Landlord in respect of and to the extent of its Existing Allowed Landlord Claim;
- (bb) **“Filing Date”** means January 25, 2021;
- (cc) **“Instruction Letter”** means the instruction letter to Affected Landlord Creditors (other than any Existing Allowed Landlord Creditor), substantially in the form attached as Schedule “B” hereto;
- (dd) **“Landlord”** means a landlord under a Lease, on behalf of itself and all of such landlord’s affiliates, shareholders, directors, officers, agents and other

representatives who are a party to or may have a Claim in respect of such Lease (and, for certainty, does not include a landlord under a real property lease that has been guaranteed by YGC but under which the tenant is not an Applicant, in such landlord's capacity as landlord under such lease);

- (ee) **"Lease"** means a real property lease or occupancy agreement with an Applicant as the tenant under such lease or occupancy agreement, as such lease or occupancy agreement may have been or may be amended from time to time pursuant to its terms (and, for certainty, does not include a real property lease or occupancy agreement that has been guaranteed by YGC but under which the tenant is not an Applicant);
- (ff) **"Meeting Order"** means an Order under the CCAA that, among other things, sets the date for the Creditors' Meeting, as same may be amended, restated or varied from time to time;
- (gg) **"Monitor"** has the meaning set forth in the preamble of this Claims Procedure Order;
- (hh) **"Monitor's Website"** means the case website established by the Monitor in respect of these CCAA Proceedings at the following URL:
www.alvarezandmarsal.com/YatsenGroup;
- (ii) **"Notice of Claim"** means the notice referred to in paragraph 14 hereof, substantially in the form attached as Schedule "C" hereto, prepared by the Applicants in consultation with the Monitor, to be disseminated by the Monitor

and/or its agents to each Landlord listed on the Claims Schedule (for certainty, not including the Existing Allowed Landlord Creditors) advising each such Landlord of its Affected Landlord Claim against the Applicants for voting and distribution purposes, as determined by the Applicants based on the books and records of the Applicants;

- (jj) **“Notice of Dispute of Claim”** means the notice referred to in paragraph 20 hereof, substantially in the form attached as Schedule “D” hereto, which must be duly completed and delivered to the Monitor by any Affected Landlord Creditor (other than the Existing Allowed Landlord Creditors) wishing to dispute a Notice of Claim, with reasons for its dispute;
- (kk) **“Officer”** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the Applicants, in such capacity;
- (ll) **“Person”** means any individual, corporation, firm, limited or unlimited liability company, general or limited partnership, association (incorporated or unincorporated), trust, unincorporated organization, joint venture, trade union, government or any agency, regulatory body or officer thereof or any other entity, wherever situate or domiciled, and whether or not having legal status;
- (mm) **“Plan”** means any proposed plan of compromise and arrangement to be filed by the Applicants pursuant to the CCAA, as the same may be amended, supplemented or restated from time to time in accordance with the terms thereof;

- (nn) **“Post-Filing Lease Payments”** means any payment obligations incurred by any of the Applicants pursuant to a Lease from and after the Filing Date but before the earlier of (i) the Plan Implementation Date, and (ii) if applicable, the disclaimer, repudiation, resiliation or termination of the applicable Lease, in each case which are required to be paid pursuant to the Amended and Restated Initial Order;
- (oo) **“Restructuring Period Claim”** has the meaning ascribed to that term in paragraph 2(h)(ii) of this Claims Procedure Order;
- (pp) **“Restructuring Period Claims Bar Date”** means 5:00 p.m. on the later of (i) the Claims Bar Date and (ii) the date that is seven (7) Business Days after disclaimer, repudiation, resiliation or termination of the applicable agreement or other event giving rise to the applicable Restructuring Period Claim;
- (qq) **“Unaffected Claims”** and each an **“Unaffected Claim”** shall have the meaning ascribed thereto in the Plan, and shall include:
 - (i) Claims secured by the Charges (as defined in the Amended and Restated Initial Order);
 - (ii) Claims enumerated in sections 5.1(2) and 19(2) of the CCAA;
 - (iii) equity claims enumerated in Section 2(1) of the CCAA;
 - (iv) any Claims in respect of Post-Filing Lease Payments;
 - (v) any Claims pursuant to any guarantees provided by YGC in respect of obligations of its subsidiaries that are not Applicants;

- (vi) any Claims against an Applicant by (A) another Applicant or (B) a non-Applicant affiliate of one or more of the Applicants; and
 - (vii) any Claims by any Person that is not a Landlord (including, without limitation, any Claims of Wells Fargo against YGC as guarantor under the Wells Fargo Canadian Guarantee, as such terms are defined in the Amended and Restated Initial Order);
 - (rr) **“Voting Claim”** means an Affected Landlord Claim, or such portion thereof, that is not barred by any provision of this Claims Procedure Order and which has been finally determined and accepted for purposes of voting at the Creditors’ Meeting in accordance with the provisions of this Claims Procedure Order and the CCAA (including, for certainty, any Existing Allowed Landlord Claim); and
 - (ss) **“YGC”** has the meaning set forth in the preamble of this Claims Procedure Order.
3. THIS COURT ORDERS that all references to the word “including” shall mean “including without limitation”.
4. THIS COURT ORDERS that all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.

GENERAL PROVISIONS

5. THIS COURT ORDERS that (a) all references as to time herein shall mean local time in Toronto, Ontario, Canada, (b) any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein,

and (c) any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.

6. THIS COURT ORDERS that all Claims shall be denominated in U.S. dollars. Any Claims denominated in a different currency shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect on the Filing Date.
7. THIS COURT ORDERS that, unless otherwise agreed by the Applicants in consultation with the Monitor, interest and penalties that would otherwise accrue, if applicable, after the Filing Date shall not be included in any Claim.
8. THIS COURT ORDERS that the forms of Notice of Claim, Instruction Letter, Notice of Dispute of Claim, D&O Claim Instruction Letter, D&O Proof of Claim, D&O Notice of Revision or Disallowance and D&O Notice of Dispute of Revision or Disallowance are hereby approved, subject to such immaterial or non-substantive amendments as may be necessary or desirable as determined by the Applicants in consultation with the Monitor.
9. THIS COURT ORDERS that, notwithstanding any other provisions of this Claims Procedure Order, the delivery of a Notice of Claim to a Landlord, the solicitation of D&O Proofs of Claim and any filing by any Person of a D&O Proof of Claim shall not, for that reason only, grant any Person any rights under any proposed Plan or otherwise, including without limitation, in respect of the nature, validity, quantum and priority of its Claim, or any standing in these CCAA Proceedings, except as specifically set out in this Claims Procedure Order.

10. THIS COURT ORDERS that the Applicants and the Monitor are hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered pursuant to this Claims Procedure Order are completed and executed and the time in which they are submitted, and may, where they are satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Claims Procedure Order as to completion, execution and time of delivery of such forms and to request any further documentation from the applicable Person that the Applicants or the Monitor may require in order to enable them to determine the validity of a Claim.
11. THIS COURT ORDERS that, notwithstanding anything to the contrary herein, the Applicants may at any time, and from time to time, refer any Claim (including any D&O Claim) for resolution to the Court where in the view of the Applicants, in consultation with the Monitor, such a referral is necessary, preferable or advisable for the resolution or determination of the Claim.

MONITOR'S ROLE

12. THIS COURT ORDERS that, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Amended and Restated Initial Order and any other Orders of the Court, the Monitor shall assist the Applicants in connection with the administration of the claims procedure provided for herein, and is hereby authorized, directed and empowered to take such actions and fulfill such other roles as are contemplated by this Claims Procedure Order or incidental thereto.

13. THIS COURT ORDERS that, in carrying out the terms of this Order, the Monitor: (a) shall have all of the protections given to it by the CCAA, the Amended and Restated Initial Order, this Claims Procedure Order, and any other Orders of the Court in these CCAA Proceedings, and as an officer of the Court, including the stay of proceedings in its favour; (b) shall incur no liability or obligation as a result of the carrying out of the provisions of this Claims Procedure Order, other than in respect of any gross negligence or wilful misconduct on its part; (c) shall be entitled to rely on the books and records of the Applicants and any information provided by the Applicants, all without independent investigation; (d) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records and information; and (e) may seek such assistance as may be reasonably required to carry out its duties and obligations pursuant to this Claims Procedure Order from the Applicants or any of their affiliated companies.

NOTICE

14. THIS COURT ORDERS that, as soon as practicable after the date of this Claims Procedure Order, the Monitor or its agent shall send a Claims Package to each of the Affected Landlord Creditors (other than the Existing Allowed Landlord Creditors) by e-mail, courier or prepaid ordinary mail to the address as shown on the Claims Schedule. The Notice of Claim included in the Claims Package shall specify the Affected Landlord Creditor's Affected Landlord Claim for voting and distribution purposes as determined by the Applicants, in consultation with the Monitor, based on the books and records of the Applicants.

15. THIS COURT ORDERS that the Monitor shall cause copies of the form of the Claims Package, the D&O Instruction Letter and the D&O Proof of Claim to be posted on the Monitor's Website as soon as practicable after the date of this Claims Procedure Order.
16. THIS COURT ORDERS that to the extent any Landlord requests documents or information regarding the Claims Process prior to the Claims Bar Date, or if the Applicants or the Monitor become aware of any further Claims of a Landlord, the Monitor shall forthwith send, or cause to be sent, to such Landlord a Claims Package, direct such Landlord to the documents posted on the Monitor's Website or otherwise respond to the requests for documents or information as the Monitor may consider appropriate in the circumstances, in consultation with the Applicants.
17. THIS COURT ORDERS that the sending of the Claims Package to the applicable Landlords and the posting of the Claims Package on the Monitor's Website, in accordance with this Claims Procedure Order, shall constitute good and sufficient service and delivery of notice of this Claims Procedure Order, the Claims Bar Date and the Restructuring Period Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Claims Procedure Order, except as otherwise specifically provided for in this Claims Procedure Order.

EXISTING ALLOWED LANDLORD CLAIMS

18. THIS COURT ORDERS that neither the Applicants nor the Monitor shall be required to send a Claims Package to the Existing Allowed Landlord Creditors in respect of any

Existing Allowed Landlord Claims, and the Existing Allowed Landlord Creditors shall not be required to file any documentation in respect of their Existing Allowed Landlord Claims.

19. THIS COURT ORDERS that the Claims comprising each of the Existing Allowed Landlord Claims shall be and are deemed to be the full and final Claims of the applicable Existing Allowed Landlord Creditors (including, without limitation, in respect of any D&O Claims) and shall constitute Voting Claims and Distribution Claims for purposes of voting on and receiving distributions pursuant to the Plan. The claims procedure otherwise set forth in paragraphs 20 to 37 this Claims Procedure Order shall not apply to the Existing Allowed Landlord Creditors in respect of such Existing Allowed Landlord Claims. For greater certainty, and notwithstanding anything to the contrary elsewhere herein, the Existing Allowed Landlord Creditors shall not be entitled to file a D&O Proof of Claim and any D&O Claims by the Existing Allowed Landlord Creditors are hereby forever barred.

CLAIMS PROCEDURE FOR CLAIMS AGAINST THE APPLICANTS

20. THIS COURT ORDERS that if an Affected Landlord Creditor wishes to dispute the amount of its Affected Landlord Claim set out in the Notice of Claim, the Affected Landlord Creditor shall deliver to the Monitor a Notice of Dispute of Claim which must be received by the Monitor by no later than the Claims Bar Date. Such Affected Landlord Creditor shall specify therein the details of the dispute with respect to its Affected Landlord Claim and shall specify whether it disputes the determination of the Affected Landlord Claim for voting and/or distribution purposes.

21. THIS COURT ORDERS that if an Affected Landlord Creditor does not deliver to the Monitor a completed Notice of Dispute of Claim such that it is received by the Monitor by the Claims Bar Date disputing its Claims as set out in the Notice of Claim for voting and distribution purposes, then (a) such Affected Landlord Creditor shall be deemed to have accepted the determination of the Affected Landlord Creditor's Claim as set out in the Notice of Claim for both voting and distribution purposes, (b) such Affected Landlord Creditor's Claim as determined in the Notice of Claim shall be treated as both a Voting Claim and a Distribution Claim as set out in the Notice of Claim, and (c) any and all of the Affected Landlord Creditor's rights to dispute the Claims as determined in the Notice of Claim, or to otherwise assert or pursue such Claims other than as they are determined in the Notice of Claim, shall be forever extinguished and barred without further act or notification. An Affected Landlord Creditor may accept a determination of a Claim for voting purposes as set out in the Notice of Claim and dispute the determination of the Claim for distribution purposes provided that it does so in its Notice of Dispute of Claim and such Notice of Dispute of Claim is received by the Monitor by the Claims Bar Date, in which case such determination of the Affected Landlord Creditor's Claim for voting purposes shall not in any way affect and is without prejudice to the process to determine such Affected Landlord Creditor's Claim for distribution purposes.
22. THIS COURT ORDERS that the Monitor and the Applicants shall review all Notices of Dispute of Claim which may be received by the Claims Bar Date.
23. THIS COURT ORDERS that, in the event that the Applicants, with the assistance of the Monitor, are unable to resolve a dispute regarding any Disputed Voting Claim with an Affected Landlord Creditor, the Applicants shall so notify the Monitor and the Affected

Landlord Creditor. Thereafter, the Disputed Voting Claim shall be referred to the Court or a Claims Officer for resolution, or to such alternative dispute resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicants and the applicable Affected Landlord Creditor; provided that to the extent a Claim is referred under this paragraph to the Court or a Claims Officer, or an alternative dispute resolution, it shall be on the basis that the Claim against the Applicants shall be resolved or adjudicated for voting purposes (and that it shall remain open to the Applicants, in consultation with the Monitor, to determine whether such Claim shall be concurrently resolved or adjudicated for distribution purposes or subject to a future hearing by the Court or a Claims Officer, or an alternative dispute resolution, to determine the Affected Landlord Creditor's Distribution Claim in accordance with paragraph 25 hereof). The Court, the Claims Officer or an alternative dispute resolution, as the case may be, shall resolve the dispute between the Applicants and the Affected Landlord Creditor.

24. THIS COURT ORDERS that where the Affected Landlord Creditor's Disputed Voting Claim has not been finally determined in accordance with this Claims Procedure Order by the date on which a vote is held at the Meeting, the ability of such Affected Landlord Creditor to vote its Disputed Voting Claim and the effect of casting any such vote shall be governed by the Meeting Order.
25. THIS COURT ORDERS that, in the event that the Applicants, with the assistance of the Monitor, are unable to resolve a dispute with an Affected Landlord Creditor regarding any Disputed Distribution Claim, the Applicants shall so notify the Monitor and the Affected Landlord Creditor. Thereafter, the Disputed Distribution Claim shall be referred to the Court or a Claims Officer for resolution, or to such alternative dispute

resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicants and the applicable Affected Landlord Creditor. The Court, the Claims Officer or an alternative dispute resolution, as the case may be, shall resolve the dispute between the Applicants and such Affected Landlord Creditor.

26. THIS COURT ORDERS that the following shall apply with respect to any Restructuring Period Claims:

- (a) any notices of disclaimer or resiliation delivered to Landlords by the Applicants after the date of this Claims Procedure Order shall be accompanied by a Claims Package;
- (b) the Monitor shall as soon as practicable send a Claims Package to any Landlord that makes a request therefor in respect of a Restructuring Period Claim prior to the Restructuring Period Claims Bar Date;
- (c) the Monitor shall, as soon as practicable after becoming aware of any other circumstance giving rise to a Restructuring Period Claim, send a Claims Package to the Landlord in respect of such Restructuring Period Claim in the manner provided for herein; and
- (d) the Restructuring Period Claims Bar Date shall apply to Restructuring Period Claims, and all other steps, actions, deadlines and other requirements set forth in this Claims Procedure Order shall apply *mutatis mutandis*.

CLAIMS PROCEDURE FOR D&O CLAIMS

27. THIS COURT ORDERS that any Landlord (other than any Existing Allowed Landlord Creditor) that intends to assert a D&O Claim shall file a D&O Proof of Claim with the Monitor on or before the Claims Bar Date. The Monitor or the Applicants shall provide a copy of the form of D&O Proof of Claim to any Landlord (other than any Existing Allowed Landlord Creditor) that makes a request therefor prior to the Claims Bar Date.
28. THIS COURT ORDERS that if a Landlord does not file a D&O Proof of Claim with respect to a D&O Claim with the Monitor such that it is received by the Monitor by the Claims Bar Date, any and all such D&O Claims of such Landlord shall be forever extinguished and barred without any further act or notification and irrespective of whether or not such Landlord received a Claims Package, and the Directors and Officers shall have no liability whatsoever in respect of such D&O Claims, for certainty, whether or not a Plan is ultimately approved in these CCAA Proceedings.
29. THIS COURT ORDERS that the Applicants, with the assistance of the Monitor, shall review all D&O Proofs of Claim which may be received from Landlords (other than Existing Allowed Landlord Creditors) by the Claims Bar Date and shall accept, revise or reject each D&O Claim set out therein. The Monitor shall provide copies of the D&O Proofs of Claim in respect of D&O Claims to any subject Director or Officer (or their respective counsel) upon such request being made. The Monitor shall notify each Landlord (other than any Existing Allowed Landlord Creditor) who has delivered a D&O Proof of Claim by the Claims Bar Date in respect of D&O Claims as to whether such Landlord's Claim as set out therein has been revised or rejected and the reasons therefor,

by sending a D&O Notice of Revision or Disallowance. The Monitor shall provide a copy of such D&O Notice of Revision or Disallowance to any subject Director or Officer (or their respective counsel) upon such request being made.

30. THIS COURT ORDERS that any Landlord who wishes to dispute a D&O Notice of Revision or Disallowance sent pursuant paragraph 29 above shall deliver a D&O Notice of Dispute of Revision or Disallowance to the Monitor, with a copy to the Applicants, such that it is received by the Monitor by no later than 5:00 p.m. on the date that is five (5) Business Days after the date of delivery to the applicable Landlord of the D&O Notice of Revision or Disallowance. The Monitor shall provide a copy of such D&O Notice of Dispute of Revision or Disallowance to any subject Director or Officer (or their respective counsel).
31. THIS COURT ORDERS that where a Landlord that receives a D&O Notice of Revision or Disallowance pursuant to paragraph 29 above does not file a D&O Notice of Dispute of Revision or Disallowance by the time set out in paragraph 30 above, such Landlord's D&O Claim(s) shall be deemed to be as determined in the D&O Notice of Revision or Disallowance and any and all of such Landlord's rights to dispute the D&O Claim(s) as determined in the D&O Notice of Revision or Disallowance or to otherwise assert or pursue such D&O Claims other than as they are determined in the D&O Notice of Revision or Disallowance shall be forever extinguished and barred without further act or notification, for certainty, whether or not a Plan is ultimately approved in these CCAA Proceedings.

32. THIS COURT ORDERS that in the event that the Applicants, in consultation with the Monitor, determine that it is necessary to finally determine the amount of a D&O Claim and the Applicants, with the assistance of the Monitor and the consent of the applicable Directors and Officers, are unable to resolve a dispute regarding such D&O Claim with the Landlord asserting such D&O Claim, the Applicants shall so notify the Monitor and such Landlord. Thereafter, the Disputed D&O Claim shall be referred to the Court or a Claims Officer for resolution, or to such alternative dispute resolution as may be ordered by the Court or as agreed to by the Monitor, the Applicants and the applicable Landlord. The Court, the Claims Officer or an alternative dispute resolution, as the case may be, shall resolve the dispute, for certainty, whether or not a Plan is ultimately approved in these CCAA Proceedings.

CLAIMS OFFICER

33. THIS COURT ORDERS that the decision as to whether a Disputed Claim or a Disputed D&O Claim should be adjudicated by the Court or a Claims Officer shall be determined by the Applicants in consultation with the Monitor.
34. THIS COURT ORDERS that the Applicants may apply to this Court for an Order appointing a Claims Officer to resolve Disputed Claims and/or Disputed D&O Claims on the terms set forth in this Claims Procedure Order and/or such other terms as may be ordered by this Court, or may agree on a Claims Officer with the Monitor to resolve such Affected Landlord Creditor's Disputed Claim and/or Disputed D&O Claim on the terms set forth in this Claims Procedure Order.

35. THIS COURT ORDERS that, in the event a Disputed Claim is to be adjudicated by a Claims Officer pursuant to paragraph 33 hereof, such Claims Officer shall determine the validity and amount of such Disputed Claim and to the extent necessary may determine whether any Claim or part thereof constitutes an Unaffected Claim and shall provide written reasons. The Claims Officer shall determine all procedural matters which may arise in respect of their determination of these matters, including the manner in which any evidence may be adduced. The Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before the Claims Officer shall be paid.
36. THIS COURT ORDERS that the Monitor, the Affected Landlord Creditor or the applicable Applicant may, within ten (10) days of such party receiving notice of a Claims Officer's determination of the value of an Affected Landlord Creditor's Claim, appeal such determination or any other matter determined by the Claims Officer in accordance with paragraph 35 hereof or otherwise to the Court by filing a notice of appeal, and the appeal shall be initially returnable within ten (10) days of filing such notice of appeal.
37. THIS COURT ORDERS that if no party appeals the determination of the value of a Claim by a Claims Officer within the time set out in paragraph 36 hereof, the decision of the Claims Officer in determining the value of the Affected Landlord Creditor's Claim shall be final and binding upon the Applicants, the Monitor, and the Affected Landlord Creditor, and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Claim.

SET-OFF

38. THIS COURT ORDERS that the allowance of any Claim hereunder shall not constitute a waiver or release by the Applicants of any claim for set-off (whether by way of legal, equitable or contractual set-off) that the Applicants may have against any Person.

NOTICE OF TRANSFEREES

39. THIS COURT ORDERS that if, after the Filing Date and subject to any restrictions contained in Applicable Laws or any contractual arrangement with any of the Applicants, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the Applicants shall be obligated to give notice or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until written notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Applicants and the Monitor in writing, and thereafter such transferee or assignee shall for the purposes hereof constitute the “Affected Landlord Creditor” in respect of such Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Claims Procedure Order prior to receipt and acknowledgement by the Applicants and the Monitor of satisfactory evidence of such transfer or assignment. For greater certainty, the Applicants shall not recognize partial transfers or assignments of Claims or any transfers or assignments of Claims that are not completed pursuant to Applicable Laws and in compliance with any applicable contractual arrangements. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the Applicants may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply,

merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the Applicants. The effect of a transfer or assignment of a Claim for purposes of voting at the Creditors' Meeting shall be governed by the Meeting Order.

SERVICE AND NOTICES

40. THIS COURT ORDERS that the Applicants and the Monitor may, unless otherwise specified by this Claims Procedure Order, serve and deliver, or cause to be served and delivered, the Claims Packages, and any letters, notices or other documents, to Landlords or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, fax or email to such Persons at the physical or electronic address or fax number, as applicable, last shown on the books and records of the Applicants. Any such service and delivery shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario) or the United States, and the tenth Business Day after mailing internationally (other than the United States); (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by fax or email by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.
41. THIS COURT ORDERS that any notice or communication required to be provided or delivered by a Landlord to the Monitor or the Applicants under this Claims Procedure Order shall be in writing in substantially the form, if any, provided for in this Claims

Procedure Order and will be sufficiently given only if delivered by prepaid registered mail, courier, personal delivery or email addressed to:

If to the Applicants:

c/o Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Attention: L. Joseph Latham / Caroline Descours
Email: jlatham@goodmans.ca / cdescours@goodmans.ca

If to the Monitor:

Alvarez & Marsal Canada Inc.
Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
Toronto, ON M5J 2J5

Attention: Alan J. Hutchens / Joshua Nevsky / Andrew Sterling
Email: ahutchens@alvarezandmarsal.com /
jnevsky@alvarezandmarsal.com /
asterling@alvarezandmarsal.com

With a copy (which shall not constitute notice) to:

Osler, Hoskin & Harcourt LLP
Box 50, 1 First Canadian Place
100 King Street West, Suite 6200
Toronto, ON M5X 1B8

Attention: Tracy Sandler / Dave Rosenblat
Email: tsandler@osler.com / drosenblat@osler.com

Any such notice or communication delivered by a Landlord shall be deemed to be received upon actual receipt thereof by the Applicants or the Monitor, as applicable, during normal business hours on a Business Day or if delivered outside of normal business hours, the next Business Day.

42. THIS COURT ORDERS that if during any period during which notices or other communications are being given pursuant to this Claims Procedure Order a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, fax or email in accordance with this Claims Procedure Order.
43. THIS COURT ORDERS that in the event that this Claims Procedure Order is later amended by further Order of the Court, Monitor shall post such further Order on the Monitor's Website and such posting shall constitute adequate notice of such amended claims procedure.

MISCELLANEOUS

44. THIS COURT ORDERS that the Applicants or the Monitor may from time to time apply to this Court to amend, vary, supplement or replace this Claims Procedure Order, or for advice and directions concerning the discharge of their respective powers and duties under this Claims Procedure Order or the interpretation or application of this Claims Procedure Order.
45. THIS COURT ORDERS that nothing in this Claims Procedure Order shall prejudice the rights and remedies of any Directors or Officers under any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from any liability insurance policy or policies that exist to protect or indemnify the Directors or Officers,

whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or any Applicant; provided, however, that nothing in this Claims Procedure Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Claims Procedure Order limit, remove, modify or alter any defence to such Claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that they are covered by, any liability insurance policy or policies that exist to protect or indemnify the Directors or Officers shall not be recoverable as against an Applicant or Director or Officer as applicable.

RECOGNITION

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

47. THIS COURT ORDERS that each of the Applicants and the Monitor be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Claims Procedure Order and for assistance in carrying out the terms of this Claims Procedure Order, including, without limitation, the Monitor in its capacity as the foreign representative of the Applicants and of the within proceedings in the United States pursuant to Chapter 15 of the U.S. Bankruptcy Code.

A handwritten signature in blue ink, appearing to be 'DAJ', is written over a horizontal line.

SCHEDULE “A”

1. HEAP Japanese Food Inc.
2. KB Wisconsin Food Inc.
3. MT Security Square Food Inc.
4. SAR Buckland Food Inc.
5. SAR Coastland Food Inc.
6. SAR Coventry Food Inc.
7. SAR Dulles Expo Center Inc.
8. SAR First Colony Food Inc.
9. SAR Glenbrook Food Inc.
10. SAR Greenbrier Food Inc.
11. SAR Laurel Food Inc.
12. SAR Lloyd Food Inc.
13. SAR Oglethorpe Food Inc.
14. SAR Orange Park Food Inc.
15. SAR Oviedo Food Inc.
16. SAR Park Place Food Inc.
17. SAR Plymouth Food Inc.
18. SAR Ramsey Food Inc.
19. SAR Santa Rosa Food Inc.
20. SAR Security Square Food Inc.
21. SAR St. Charles Food Inc.
22. SAR Stafford Food Inc.
23. SAR Superstition Springs Food Inc.
24. SAR Tanforan Food Inc.

25. SAR Valley Plaza Food Inc.
26. SAR Westgate Massachusetts Food Inc.
27. SAR Willowbrook Food Inc.
28. SJ Arsenal Inc.
29. SJ Boynton Inc.
30. SJ Fox Run Inc.
31. SJ Lenox Food Inc.
32. SJ Macon Food Inc.
33. SJ Rosspark Food Inc.
34. SJ Savannah Food Inc.
35. SJ South Hills Food Inc.

SCHEDULE “B”

INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE FOR AFFECTED LANDLORD CREDITORS OF YATSEN GROUP OF COMPANIES INC., SAR REAL ESTATE INC. AND THE COMPANIES LISTED IN SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated August 4, 2021 (as such Order may be amended from time to time, the “**Claims Procedure Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), the Applicants and Alvarez & Marsal Canada Inc., in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”), have been authorized to conduct a claims procedure (the “**Claims Procedure**”). A copy of the Claims Procedure Order and other public information concerning these CCAA proceedings can be obtained from the Monitor’s website at www.alvarezandmarsal.com/YatsenGroup. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

The Claims Procedure is intended to identify and determine the amount of any Landlord Claims against the Applicants, whether unliquidated, contingent or otherwise, that are to be affected in the plan of compromise and arrangement being pursued by the Applicants under the CCAA and any Claims against any or all of the Directors or Officers of the Applicants.

Pursuant to the Claim Procedure Order, the Monitor shall distribute a Notice of Claim to each Affected Landlord Creditor (other than any Existing Allowed Landlord Creditor) setting out the amount of such Affected Landlord Creditor’s Affected Landlord Claim, for voting and distribution purposes, as determined by the Applicants, in consultation with the Monitor, based on the Applicants’ books and records.

If you have received a Notice of Claim and you dispute the determination of your Claim as set forth therein for voting and/or distribution purposes, you must file a Notice of Dispute of Claim with the Monitor. All Notices of Dispute of Claim must be **received by the Monitor on or before 5:00 p.m. (Toronto time) on September 1, 2021** (the “**Claims Bar Date**”). If a Notice of Dispute of Claim is not received on or before that time, then you shall be deemed to have accepted the determination of your Claim as set out in the Notice of Claim for both voting and distribution purposes, and any and all of your rights to dispute such Claim as so valued or to otherwise assert or pursue such Claim in an amount that exceeds the amount set forth on the Notice of Claim shall be forever extinguished and barred without further act or notification.

This letter provides general instructions for completing a Notice of Dispute of Claim. Defined terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claim Procedure Order.

FOR AFFECTED LANDLORD CREDITORS DISPUTING A NOTICE OF CLAIM

SECTION 1 – PARTICULARS OF THE CREDITOR

1. The full legal name and contact information of the Affected Landlord Creditor must be provided.
2. Unless the Claim is assigned or transferred pursuant to the terms of the Claims Procedure Order, all future correspondence, notices, etc., regarding the Claim will be directed to the address and contact indicated in this section.

SECTION 2 – ASSIGNEE OR TRANSFEREE

3. If the Affected Landlord Creditor has been assigned or otherwise transferred its Claim, then Section 2 must be completed.
4. The full legal name of the assignor or transferor must be provided.
5. Include all available supporting documentation evidencing the assignment or transfer of the Affected Landlord Claim.
6. If the Monitor, in consultation with the Applicants, is satisfied that an assignment or transfer has occurred in accordance with the terms of the Claims Procedure Order, all future correspondence, notices, etc., regarding the Affected Landlord Claim will be directed to the assignee or transferee at the address and contact indicated in the Dispute of Notice of Claim.

SECTION 3 – DISPUTE OF CLAIM

7. Indicate the name of the Applicant(s) against which the Affected Landlord Creditor is asserting a Claim.
8. Indicate whether the Claim is being disputed for voting and/or distribution purposes by checking the applicable box, and include the amount of the Claim being asserted for voting and/or distribution purposes.
9. All Claims shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect at January 25, 2021. Claim amounts listed in the Notice of Claim are denominated in U.S. dollars.

SECTION 4 – REASONS FOR DISPUTE

10. Provide a description and full particulars of the Claim being disputed, including all available supporting documentation.

Additional Notice of Dispute of Claim forms can be obtained from the Monitor's website at www.alvarezandmarsal.com/YatsenGroup or by contacting the Monitor at the contact information provided above.

FOR AFFECTED LANDLORD CREDITORS ASSERTING A D&O CLAIM

If you believe you have a D&O Claim, you must file a D&O Proof of Claim asserting any such D&O Claim such that the D&O Proof of Claim is **received by the Monitor by the Claims Bar Date**, otherwise any such D&O Claim shall be forever extinguished and barred without further act or notification.

D&O Proof of Claim forms and instructions for completing a D&O Proof of Claim can be obtained from the Monitor's website at www.alvarezandmarsal.com/YatsenGroup or by contacting the Monitor at the contact information provided above.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, fax, email or telephone at the address below:

Alvarez & Marsal Canada Inc., Court-appointed Monitor
of the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

DATED this _____ day of _____, 2021.

SCHEDULE “C”

Court File No. CV-21-00655505-00CL

**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 YATSEN GROUP OF COMPANIES INC., SAR
REAL ESTATE INC. AND THE COMPANIES LISTED IN
SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)**

NOTICE OF CLAIM

TO: [INSERT NAME AND ADDRESS OF CREDITOR]

This notice is issued pursuant to the Claims Procedure Order of the Ontario Superior Court of Justice (Commercial List) granted August 4, 2021 (“**Claims Procedure Order**”) in the Applicants’ proceedings under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”). A copy of the Claims Procedure Order can be obtained from the website of Alvarez & Marsal Canada Inc., the Court-appointed Monitor of the Applicants (the “**Monitor**”), at www.alvarezandmarsal.com/YatsenGroup. Capitalized terms used herein but not otherwise defined herein have the meanings given to such terms in the Claims Procedure Order. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

According to the books, records and other relevant information in the possession of the Applicants, your total Affected Landlord Claim(s) are as follows:

| Applicant | Type of Claim | Amount* |
|------------------|----------------------|----------------|
| | | \$ |
| | | \$ |

* Amount is in U.S. dollars. All Claims in an original currency other than U.S. dollars are converted to U.S. dollars using the Bank of Canada daily exchange rate on January 25, 2021.

If you agree that the foregoing determination accurately reflects your Claim(s) against the Applicants, you are not required to respond to this Notice of Claim.

If you disagree with the determination of your Claim(s) against the Applicants as set out herein, you must deliver a Notice of Dispute of Claim to the Monitor such that it is received by the Monitor **by no later than 5:00 p.m. (Toronto time) on September 1, 2021** (the “**Claims Bar Date**”). You may deliver your Notice of Dispute of Claim by prepaid registered mail, courier, personal delivery, fax or email to the following address:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

You may accept the Claim(s) set out in this Notice of Claim for voting purposes without prejudice to your rights to dispute such Claim(s) for distribution purposes. If you fail to deliver a Notice of Dispute of Claim for voting and/or distribution purposes such that it is received by the Monitor by the Claims Bar Date, then you shall be deemed to have accepted your Claim(s) for voting and distribution purposes as set out in this Notice of Claim.

If you believe you have a D&O Claim, you must complete a D&O Proof of Claim in respect of such D&O Claim and deliver it to the Monitor at the address noted above such that it is received by the Monitor by the Claims Bar Date. You may obtain a copy of a D&O Proof of Claim form on the Monitor’s website noted above or by contacting the Monitor at the contact information provided above to request a copy. If you fail to deliver a completed D&O Proof of Claim by the Claims Bar Date, any D&O Claim you may have shall be forever extinguished and barred.

DATED at Toronto, this ____ day of _____, 2021.

SCHEDULE “D”

Court File No. CV-21-00655505-00CL

**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 YATSEN GROUP OF COMPANIES INC., SAR
REAL ESTATE INC. AND THE COMPANIES LISTED IN
SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)**

NOTICE OF DISPUTE OF CLAIM

1. PARTICULARS OF CREDITOR

(a) Full Legal Name of Creditor:

(b) Full Mailing Address of Creditor:

(c) Telephone Number of Creditor:

(d) Fax Number of Creditor:

(e) E-mail Address of Creditor:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF DETERMINATION OF CLAIM FOR VOTING AND/OR DISTRIBUTION PURPOSES:**

(Any Claims not denominated in U.S. dollars shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect as of January 25, 2021.)

We hereby disagree with the determination of our Claim as set out in the Notice of Claim dated _____, as set out below:

Name of Applicant(s) against which Creditor asserts its Claims:

| | As specified in Notice of Claim | Disputed for (check all that apply) | Claim asserted by Creditor |
|-------------------------------|------------------------------------|---|-------------------------------|
| Voting Claim | \$ | | \$ |
| Distribution Claim | \$ | | \$ |

(Insert particulars of Claim per Notice of Claim and the value of your Claim as asserted by you.)

4. **REASONS FOR DISPUTE:**

(Provide full particulars of the Claim, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, etc., and include copies of supporting documentation. The particulars provided must support the description of the Claim as stated by you in item 3, above. You may attach a separate schedule if more space is required.)

This Notice of Dispute of Claim must be returned to and received by the Monitor **by no later than 5:00 p.m. (Toronto time) on September 1, 2021**, the Claims Bar Date, at the following address by prepaid registered mail, courier, personal delivery, fax or email:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

Dated at _____ this _____ day of _____, 2021.

Signature of Witness

Signature of Creditor

Print name of Witness:

Print name of Creditor:

If Creditor is a Corporation, print name and title
of authorized signatory

Name: _____

Title: _____

SCHEDULE “E”

D&O PROOF OF CLAIM INSTRUCTION LETTER FOR THE CLAIMS PROCEDURE FOR CREDITORS OF YATSEN GROUP OF COMPANIES INC., SAR REAL ESTATE INC. AND THE COMPANIES LISTED IN SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)

CLAIMS PROCEDURE

By Order of the Ontario Superior Court of Justice (Commercial List) dated August 4, 2021 (as such Order may be amended from time to time, the “**Claims Procedure Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the “**CCAA**”), the Applicants and Alvarez & Marsal Canada Inc., in its capacity as Court-appointed monitor of the Applicants (the “**Monitor**”), have been authorized to conduct a claims procedure (the “**Claims Procedure**”). A copy of the Claims Procedure Order and other public information concerning these proceedings can be obtained from the Monitor’s website at www.alvarezandmarsal.com/YatsenGroup. Please review the Claims Procedure Order for the full terms of the Claims Procedure.

The Claims Procedure is, among other things, intended to identify and determine any claims against the Directors or Officers of the Applicants, whether unliquidated, contingent or otherwise. If you believe that you have a D&O Claim against a Director or Officer of the Applicants, you must complete and file a D&O Proof of Claim with the Monitor **before 5:00 p.m. (Toronto time) on September 1, 2021** (the “**Claims Bar Date**”)

This letter provides general instructions for completing a D&O Proof of Claim. Capitalized terms not defined within this instruction letter shall have the meaning ascribed thereto in the Claims Procedure Order.

A separate D&O Proof of Claim must be filed by each legal entity or person asserting a claim against the Applicants’ Directors or Officers. The claimant shall include any and all D&O Claims that it asserts against the Applicants’ Directors or Officers in a single D&O Proof of Claim. The D&O Proof of Claim form is NOT for claims against the Applicants.

SECTION 1 – PARTICULARS OF THE DIRECTORS OR OFFICERS

1. The full name of all of the Applicants’ Directors or Officers against whom the D&O Claim is asserted must be listed.

SECTION 2 – PARTICULARS OF THE CLAIMANT

2. The full legal name of the claimant must be provided.
3. Unless the D&O Claim is assigned or transferred pursuant to the terms of the Claims Procedure Order, all future correspondence, notices, etc., regarding the D&O Claim will be directed to the address and contact indicated in this section.

SECTION 3 – ASSIGNEE OR TRANSFEREE

4. If the claimant has been assigned or otherwise transferred its D&O Claim, then Section 3 must be completed.
5. The full legal name of the assignor or transferor must be provided.
6. Include all available supporting documentation evidencing the assignment or transfer of the claim.
7. If the Monitor, in consultation with the Applicants, is satisfied that an assignment or transfer has occurred in accordance with the terms of the Claims Procedure Order, all future correspondence, notices, etc., regarding the D&O Claim will be directed to the assignee or transferee at the address and contact indicated in this section.

SECTION 4 – AMOUNT OF CLAIM /CERTIFICATION

8. Indicate the amount of the D&O Claim being asserted against the Director(s) and/or Officer(s) in the Amount of Claim column, including interest.
9. All D&O Claims not denominated in U.S. dollars shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect as of January 25, 2021.
10. The person signing the D&O Proof of Claim should:
 - (a) be the claimant or an authorized representative of the claimant;
 - (b) have knowledge of all of the circumstances connected with this D&O Claim;
 - (c) assert the claim against the Director(s) or Officer(s) as set out in the D&O Proof of Claim and certify all available supporting documentation is attached; and
 - (d) have a witness to its certification.
11. By signing and submitting the D&O Proof of Claim, the claimant is asserting the Claim against the Director(s) or Officer(s) specified therein.

SECTION 5 – PARTICULARS OF CLAIM

12. Attach to the D&O Proof of Claim all particulars of the D&O Claim and all available supporting documentation, including descriptions of transaction(s), agreement(s) or legal breach(es) giving rise to the Claim.

SECTION 6 – FILING OF CLAIM

All D&O Proofs of Claim for D&O Claims **must be received by the Monitor before 5:00 p.m. (Toronto time) on the Claims Bar Date of September 1, 2021.** If you do not file a completed D&O Proof of Claim by the Claims Bar Date, any D&O Claims you may have shall be forever extinguished and barred.

All notices and inquiries with respect to the Claims Procedure should be directed to the Monitor by prepaid registered mail, courier, personal delivery, fax or email at the address below:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

Additional D&O Proof of Claim forms can be obtained from the Monitor's website at www.alvarezandmarsal.com/YatsenGroup or by contacting the Monitor at the contact information provided above.

DATED this _____ day of _____, 2021.

SCHEDULE “F”

Court File No. CV-21-00655505-00CL

**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 YATSEN GROUP OF COMPANIES INC., SAR
REAL ESTATE INC. AND THE COMPANIES LISTED IN
SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)**

D&O PROOF OF CLAIM

1. PARTICULARS OF DIRECTORS(S) AND/OR OFFICER(S)

- (a) Name of Directors(s) and/or
Officer(s) of the Applicants:

2. PARTICULARS OF CLAIMANT

- (a) Full Legal Name of Claimant:

- (b) Full Mailing Address of Claimant:

- (c) Telephone Number of Claimant:

- (d) Fax Number of Claimant:

(e) E-mail Address of Claimant: _____

(f) Attention (Contact Person): _____

3. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

4. **D&O PROOF OF CLAIM**

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

(a) That I am a claimant against a Director or Officer of the Applicants / I hold the position of _____ of the claimant;

(b) That I have knowledge of all the circumstances connected with the D&O Claim described and set out below;

(c) The Director(s) or Officer(s) of the Applicants were and still are indebted to the claimant as follows (*Any Claims not denominated in U.S. dollars shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect as of January 25, 2021.*)

(i) Name of Director or Officer(s) to which the D&O Claim relates:

(ii) Amount of D&O Claim

\$ _____

5. **PARTICULARS OF CLAIM:**

(Provide full particulars of the D&O Claim and all available supporting documentation, any claim assignment/transfer agreement or similar document, if applicable, and including amount, description of transaction(s), agreement(s) or legal breach(es) giving rise to the D&O Claim. You may attach a separate schedule if more space is required.)

6. **FILING OF CLAIM**

This D&O Proof of Claim must be returned to and received by the Monitor by **5:00 p.m. (Toronto time) on the Claims Bar Date of September 1, 2021.**

Completed forms must be delivered by prepaid registered mail, courier, personal delivery, fax or email at the address below to the Monitor at the following address:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

Dated at _____ this _____ day of _____, 202____.

Signature of Witness

Signature of Claimant

Print name of Witness:

Print name of Claimant:

If Claimant is a Corporation, print name and
title of authorized signatory

Name: _____

Title: _____

SCHEDULE “G”

Court File No. CV-21-00655505-00CL

**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 YATSEN GROUP OF COMPANIES INC., SAR
REAL ESTATE INC. AND THE COMPANIES LISTED IN
SCHEDULE “A” (COLLECTIVELY, THE “APPLICANTS”)**

D&O NOTICE OF REVISION OR DISALLOWANCE

TO: [INSERT NAME AND ADDRESS OF CREDITOR]

The Applicants have reviewed your D&O Proof of Claim dated _____, and
have revised or rejected your D&O Claim in respect of _____ for
the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Procedure Order, your D&O Claim will be allowed as follows:

| D&O CLAIM | AMOUNT |
|---|---------------|
| Per D&O Proof of Claim | \$ |
| Allowed Amount of D&O Claim as Revised | \$ |

If you intend to dispute this D&O Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a D&O Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by no later than five (5) Business Days after the date of delivery of such D&O Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, fax or email:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
200 Bay Street, Suite 2900
P.O. Box 22
Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

If you do not deliver a D&O Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order, the value of your D&O Claim shall be deemed to be as set out in this D&O Notice of Revision or Disallowance.

DATED at Toronto, Ontario this _____ day of _____, 2021.

Alvarez & Marsal Canada Inc., solely in its capacity as Court-appointed Monitor of Yatsen Group of Companies Inc., SAR Real Estate Inc. and the companies listed in Schedule "A", and not in its personal or corporate capacity.

Per: _____

Name:

Title:

SCHEDULE “H”

Court File No. CV-21-00655505-00CL

**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 YATSEN GROUP OF COMPANIES INC., SAR
REAL ESTATE INC. AND THE COMPANIES LISTED IN
SCHEDULE “A” (collectively, the “Applicants”)**

D&O NOTICE OF DISPUTE OF REVISION OR DISALLOWANCE

1. PARTICULARS OF CLAIMANT

(a) Full Legal Name of Claimant:

(b) Full Mailing Address of
Claimant:

(c) Telephone Number of Claimant:

(d) Fax Number of Claimant:

(e) E-mail Address of Claimant:

(f) Attention (Contact Person):

2. **PARTICULARS OF ORIGINAL CREDITOR FROM WHOM YOU ACQUIRED CLAIM, IF APPLICABLE:**

(a) Have you acquired this Claim by assignment? Yes ☐ No ☐

(if yes, attach documents evidencing assignment)

(b) Full Legal Name of original creditor(s): _____

3. **DISPUTE OF REVISION OR DISALLOWANCE OF D&O CLAIM:**

(Any Claims not denominated in U.S. dollars shall be converted to U.S. dollars at the Bank of Canada daily exchange rate in effect as of January 25, 2021.)

We hereby disagree with the determination of our D&O Claim as set out in the D&O Notice of Revision or Disallowance dated _____, 2021, as set out below:

| | Amount allowed per D&O Notice of Revision or Disallowance | Amount claimed by Claimant |
|----------------------|--|-----------------------------------|
| D&O Claim | \$ | \$ |

(Insert particulars of D&O Claim per D&O Notice of Revision or Disallowance, and the value of your D&O Claim as asserted by you).

4. **REASONS FOR DISPUTE:**

(Provide full particulars of the D&O Claim and all available supporting documentation, any claim assignment/transfer agreement or similar document, if applicable, and including amount, description of transaction(s), agreement(s) or legal breach(es) giving rise to the D&O Claim. The particulars provided must support the determination of the D&O Claim as stated by you in item 3, above. You may attach a separate schedule if more space is required.)

If you intend to dispute the D&O Notice of Revision or Disallowance, you must notify the Monitor of such intent by delivery to the Monitor of a D&O Notice of Dispute of Revision or Disallowance in accordance with the Claims Procedure Order such that it is received by the Monitor by no later than five (5) Business Days after delivery of the D&O Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, fax or email:

Alvarez & Marsal Canada Inc., Court-appointed Monitor of
the Yatsen Group of Companies Inc. and certain of its
subsidiaries

Claims Process

Royal Bank Plaza, South Tower
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Toronto, Ontario M5J 2J

Attention: ●
Telephone: 1-888-447-5187.
Email: yatsengroup@alvarezandmarsal.com
Fax: 416.847.5201

Dated at _____ this _____ day of _____, 2021.

Signature of Witness

Signature of Claimant

Print name of Witness:

Print name of Claimant:

If Claimant is a Corporation, print name and
title of authorized signatory

Name: _____

Title: _____

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

Court File No.: CV-21-00655505-00CL

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
YATSEN GROUP OF COMPANIES INC., SAR REAL ESTATE INC. AND THE
COMPANIES LISTED IN SCHEDULE "A"**

Applicants

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

Proceeding commenced at Toronto

CLAIMS PROCEDURE ORDER

GOODMANS LLP

Barristers & Solicitors
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