

**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 APPENDIX "A"

**SIXTH REPORT OF THE MONITOR  
ALVAREZ & MARSAL CANADA INC.**

**SEPTEMBER 10, 2021**

## **TABLE OF CONTENTS**

<b>1.0</b>	<b>INTRODUCTION .....</b>	<b>1</b>
<b>2.0</b>	<b>TERMS OF REFERENCE AND DISCLAIMER .....</b>	<b>5</b>
<b>3.0</b>	<b>CONDUCT OF AND VOTING RESULTS FROM THE CREDITORS' MEETING .....</b>	<b>6</b>
<b>4.0</b>	<b>OTHER UPDATES REGARDING THE PERIOD PRIOR TO THE CREDITORS' MEETING.....</b>	<b>7</b>
<b>5.0</b>	<b>SANCTION ORDER.....</b>	<b>11</b>
<b>6.0</b>	<b>CASH FLOW RESULTS RELATIVE TO FORECAST .....</b>	<b>13</b>
<b>7.0</b>	<b>UPDATED AND EXTENDED CASH FLOW FORECAST .....</b>	<b>14</b>
<b>8.0</b>	<b>PAYMENT OF RENT &amp; RENT RESERVE .....</b>	<b>16</b>
<b>9.0</b>	<b>MONITOR'S ACTIVITIES SINCE THE DATE OF THE FIFTH REPORT .....</b>	<b>16</b>
<b>10.0</b>	<b>APPROVAL OF THE FEES AND DISBURSEMENTS OF THE MONITOR AND THE MONITOR'S LEGAL COUNSEL .....</b>	<b>17</b>
<b>11.0</b>	<b>CONCLUSIONS AND RECOMMENDATIONS .....</b>	<b>19</b>

## **APPENDICES**

**Appendix A** – List of Additional Applicant Companies

**Appendix B** – Fifth Report of the Monitor (July 29, 2021)

**Appendix C** – Cash Flow Forecast

**Appendix D** – Affidavit of Alan J. Hutchens

**Appendix E** – Affidavit of David Rosenblat

**Appendix F** – Affidavit of Matthew B. Lunn

## 1.0 INTRODUCTION

- 1.1 On January 25, 2021 (the “**Filing Date**”), Yatsen Group of Companies Inc. (“**YGC**”), SAR Real Estate Inc. (“**SAR Real Estate**”) and the 35 companies listed in **Appendix “A”** (collectively, the “**Applicants**”<sup>1</sup>) obtained an initial order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The proceedings are referred to herein as the “**CCAA Proceedings**”.
- 1.2 In connection with the CCAA Proceedings, the Monitor has provided to this Court five reports (the “**Prior Reports**”), including the Fifth Report of the Monitor dated July 29, 2021 (the “**Fifth Report**”) attached as **Appendix “B”** hereto (without appendices). Alvarez & Marsal Canada Inc. (“**A&M**”) also filed the Pre-Filing Report of the Monitor (the “**Pre-Filing Report**”) prior to the commencement of the CCAA Proceedings. These reports and other Court-filed documents in the CCAA Proceedings are available on the Monitor’s case website at [www.alvarezandmarsal.com/YatsenGroup](http://www.alvarezandmarsal.com/YatsenGroup) (the “**Case Website**”).
- 1.3 The Initial Order, among other things, appointed A&M as monitor of the Applicants (in such capacity, the “**Monitor**”), granted an initial stay of proceedings against the Applicants (the “**Stay Period**”), granted the DIP Lenders’ Charge, and authorized and empowered the Monitor to act as the foreign representative of the Applicants and to apply for foreign

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<sup>1</sup> YGC and two of the other Applicants are incorporated under the laws of Ontario. The remaining Applicants are incorporated in the United States. As described in the Third Report, SJ Yorktown Food Inc. is no longer an Applicant in the CCAA Proceedings.

recognition of these proceedings in the United States pursuant to Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Case**”)<sup>2</sup>.

- 1.4 On February 2, 2021, the Court granted the Amended and Restated Initial Order which modified the Initial Order in certain respects, including, among other things, extending the Stay Period and increasing the DIP Lenders’ Charge up to a maximum of \$5 million. As described in section 5.0 of the Second Report, on February 24, 2021, the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) entered an order (the “**Chapter 15 Recognition Order**”) enforcing the Initial Order, including any extensions, amendments or modifications thereto, in the United States on a final basis, recognizing the CCAA Proceedings as a foreign main proceeding.
- 1.5 During the course of the CCAA Proceedings, the Stay Period has been further extended by the Court a number of times, most recently on August 4, 2021, when among other things, the Court extended the Stay Period to September 30, 2021 and granted two orders, the “**Claims Procedure Order**” and the “**Meeting Order**”, both of which are summarized in the Fifth Report.
- 1.6 The Claims Procedure Order approved a process (the “**Claims Process**”) for the identification and quantification of the claims of landlords that had not entered into Supporting Landlord Agreements (defined below) with the Applicants (the “**Remaining Landlords**”) in connection with the Plan (as defined and described in the Fifth Report). The Meeting Order, among other things, accepted the filing of the Plan and authorized the Applicants to: (i) establish one class of Affected Landlord Creditors (as defined in the

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<sup>2</sup> All documents filed in the Chapter 15 Case are available at <https://cases.primeclerk.com/yatsen/>.

Plan); and (ii) conduct a virtual meeting of Affected Landlord Creditors which occurred on September 9, 2021 at 10:00 a.m. Toronto time, to consider and vote on a resolution to approve the Plan (the “**Creditors’ Meeting**”).

- 1.7 On August 19, 2021, the US Court granted orders recognizing and enforcing the Claims Procedure Order and the Meeting Order in the Chapter 15 Case.
- 1.8 Each of the Applicants are directly or indirectly owned by Yatsen Group Inc. (“**YGI**”), a wholly owned subsidiary of Edjar International Inc. (“**EII**” and together with its direct and indirect subsidiaries, the “**Company**”). At the commencement of the CCAA proceedings, the Company operated approximately 226 Japanese quick service restaurants across the United States, of which 188 were leased directly by Applicants. YGI’s head offices are located in Markham, Ontario.
- 1.9 The purpose of this report (the “**Sixth Report**”) is to provide the Court with information, and where applicable, the Monitor’s views on:
  - (i) the voting results from the Creditors’ Meeting which took place on September 9, 2021 (in accordance with paragraph 28 of the Meeting Order, the Monitor will post a copy of this Sixth Report to the Case Website);
  - (ii) other updates related to the period prior to the Creditors’ Meeting;
  - (iii) the Applicants’ motion for an order (the “**Sanction Order**”) in the form attached to the Applicants’ Motion Record (filed on September 1, 2021), among other things:

- (a) sanctioning the Plan;
  - (b) extending the Stay Period to and including the earlier of: (i) the Plan Implementation Date (as defined in the Plan); and (ii) October 30, 2021;
  - (c) terminating these CCAA Proceedings and discharging the Monitor, effective on the Plan Implementation Date, subject to authorizing the Monitor to complete any remaining duties in connection with the implementation of the Plan, and granting certain related relief; and
  - (d) approving: (i) the Third Report of the Monitor dated June 18, 2021, the Fourth Report of the Monitor dated July 16, 2021, the Fifth Report of the Monitor dated July 29, 2021 and this Sixth Report, and the activities and conduct of the Monitor in relation to the Applicants and the CCAA Proceedings prior to the date of the proposed Sanction Order; and (ii) the fees and disbursements of the Monitor for the period January 23, 2021 to September 2, 2021, the fees and disbursements of Canadian counsel to the Monitor for the period January 21, 2021 to September 8, 2021 and the fees and disbursements of US counsel to the Monitor for the period January 22, 2021 to July 31, 2021, in each case in connection with the CCAA Proceedings and the Chapter 15 Case;
- (iv) the cash flow results of the Applicants for the six-week period ended September 5, 2021;

- (v) the Applicants' updated and extended cash flow forecast for the nine-week period ending October 30, 2021;
- (vi) activities of the Monitor since the date of the Fifth Report (July 29, 2021); and
- (vii) the Monitor's conclusions and recommendations in connection with the foregoing.

## 2.0 TERMS OF REFERENCE AND DISCLAIMER

2.1 In preparing this Sixth Report, A&M, in its capacity as Monitor, has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by the Company and has held discussions with the Company's management and its legal and financial advisors (collectively, the "**Information**"). Except as otherwise described in this Sixth Report:

- (i) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CASs**") pursuant to the *Chartered Professional Accountants Canada Handbook* (the "**CPA Handbook**") and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CASs in respect of the Information; and
- (ii) some of the information referred to in this Sixth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the CPA Handbook, has not been performed.

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

2.3 This Sixth Report should be read in conjunction with the affidavit of Joseph McCullagh sworn on September 1, 2021 (the "**Seventh McCullagh Affidavit**") for additional background and other information regarding the Applicants. Capitalized terms used and not defined in this Sixth Report have the meanings given to them in the Pre-Filing Report, the Prior Reports or the Seventh McCullagh Affidavit, as applicable.

2.4 Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars ("**CAD**").

### **3.0 CONDUCT OF AND VOTING RESULTS FROM THE CREDITORS' MEETING**

3.1 The Creditor's Meeting was held virtually, as scheduled, on September 9, 2021, at 10:00 a.m. (Toronto time). In accordance with the Meeting Order, Alan Hutchens, Senior Vice-President of A&M, acted as Chair. Representatives of A&M and Osler, Hoskin & Harcourt LLP ("**Osler**"), counsel to the Monitor, acted as Scrutineer and Secretary of the Creditors' Meeting, respectively. Capitalized terms used and not defined in this section have the meanings given to them in the Meeting Order.

3.2 Of the 172 Eligible Voting Creditors, a total of 136 votes were received, consisting of 98 Proxies submitted prior to the Creditors' Meeting and 38 ballots submitted in person at the



Creditors' Meeting. Each of the 136 votes received related to Voting Claims, and none related to Disputed Voting Claims.

- 3.3 Pursuant to the Meeting Order, Eligible Voting Creditors voted on the resolution presented at the Creditors' Meeting for the approval of the Plan. The results of the voting at the Creditors' Meeting are summarized as follows:

Creditors' Meeting Voting Results						(\$USD)	
	Votes in Favour		Votes Against		Total		Votes in Favour (%)
	#	\$	#	\$	#	\$	#
Voting Claims	135	\$26,535,921.94	1	\$143,664.53	136	\$26,679,586.47	99.3%
Disputed Voting Claims	-	\$ -	-	\$ -	-	\$ -	0.0%
<b>Total</b>	<b>135</b>	<b>\$26,535,921.94</b>	<b>1</b>	<b>\$143,664.53</b>	<b>136</b>	<b>\$26,679,586.47</b>	<b>99.3%</b>

- 3.4 In total, the 136 Voting Claims received represented approximately \$26.7 million in aggregate claims. Of this group, 135 Eligible Voting Creditors (99.3% in number) representing approximately \$26.5 million (99.5% in aggregate claim value), voted in favour of the Plan. Accordingly, the Required Majorities for approval of the Plan were achieved.

#### 4.0 OTHER UPDATES REGARDING THE PERIOD PRIOR TO THE CREDITORS' MEETING

##### Noticing

- 4.1 On August 5, 2021, following the granting of, and in accordance with, the Claims Procedure Order and the Meeting Order, the Monitor completed the following noticing activities:

- (i) distributed a Claims Package to each of the Remaining Landlords. As described in the Fifth Report, the Claims Process employed a “negative notice claims process”, and accordingly the Claims Packages sent to each of the Remaining Landlords included a Notice of Claim that was pre-populated with claim amounts based on the books and records of the Applicants, in consultation with the Monitor;
- (ii) distributed an Information Package to both the Supporting Landlords and the Remaining Landlords. The Information Package consisted of the Notice of Meeting, the Proxy, the form of Resolution, the Plan and a personal meeting identification number to access the Creditors’ Meeting by electronic means; and
- (iii) posted to the Case Website a copy of a Claims Package, an Information Package, the Plan and the Meeting Order.

#### Supporting Landlord Agreements

- 4.2 As described in the Fifth Report, following significant effort by the Applicants with their landlord stakeholders, the Applicants entered into agreements (the “**Supporting Landlord Agreements**”) with certain of their landlords (the “**Supporting Landlords**”), whereby the Supporting Landlords each agreed to, among other things, the amount of their respective claims in connection with the Plan, to vote for and support the Plan and, in certain cases, for amended lease terms.
- 4.3 As at the date of the Claims Procedure Order, the Applicants had entered into Supporting Landlord Agreements with a total of 135 Supporting Landlords representing approximately 87.6% of the aggregate estimated value of claims held by Eligible Voting Creditors. The Supporting Landlords were not subject to, or required to file any documentation pursuant

to, the Claims Process and their claims for purposes of voting on and distributions under the Plan are as agreed pursuant to their respective Supporting Landlord Agreements.

Claims Bar Date

- 4.4 As described in the Fifth Report, the claims bar date for any Remaining Landlords to dispute the claim amounts set out in their Notice of Claim form pursuant to the negative claims process was September 1, 2021 (the “**Claims Bar Date**”). With respect to any Restructuring Period Claim, the claims bar date was the later of: (i) the Claims Bar Date; and (ii) the date that is seven business days after the date of any lease disclaimer (the “**Restructuring Period Claims Bar Date**”).
- 4.5 Prior to the Claims Bar Date, the Monitor received five Notices of Dispute of Claim. Following a review by the Monitor and the Applicants: (i) one of the Notices of Dispute of Claim was allowed and the Affected Landlord Claim was revised accordingly; and (ii) each of the remaining four Notices of Dispute of Claim remain under review by the Monitor and the Applicants.
- 4.6 In addition to the above, the Monitor also received one Notice of Dispute from a landlord of a non-Applicant entity within the YGI group. Following a review by the Monitor and the Applicants, the claim was disallowed as the YGI entity is not an Applicant and as such not party to the Claims Process, nor is the claim asserted intended to be compromised by the Plan. As such, the Monitor issued a Notice of Disallowance to the landlord. As of the date of this report, no response has been received from that landlord to the disallowance.

Lease Disclaimer Notices

- 4.7 Following the commencement of the Claims Process, in addition to the notices of disclaimer issued from the date of the filing, which are discussed below, the Applicants, with approval from the Monitor, issued two lease disclaimer notices on August 17, 2021 and a further lease disclaimer notice on August 25, 2021.
- 4.8 Following the issuance of the lease disclaimer notices, the Monitor sent each of the landlords a revised Notice of Claim form, setting out a revised claim amount to reflect the Restructuring Period Claim arising from the respective lease disclaimer.
- 4.9 For each of the three revised Notices of Claim, the respective claims bar dates expired without dispute from the landlords.
- 4.10 Over the course of the CCAA Proceedings, the Applicants issued notices of disclaimer in respect of 33 leases and three related storage rental agreements. Of the 33 locations disclaimed, the Monitor understands that the Applicants have vacated 24 and are in the process of vacating the three locations more recently disclaimed, as described above. With respect to the remaining six locations, the Monitor understands that the Applicants reached consensual arrangements with each applicable landlord to remain in such locations and rescinded the lease disclaimer. The Monitor also understands that an agreement is being discussed with one of the landlords who received a notice of disclaimer referred to in Section 4.7 above which, if concluded before the Plan is implemented, will result in the rescission of that disclaimer and agreement that the landlord in question will have no Restructuring Period Claim.

Minor Amendment to the Plan

- 4.11 On August 30, 2021, the Applicants, with the consent of the Monitor, made a minor administrative amendment to the Plan to clarify that the distributions to be made under the Plan in respect of Allowed Distribution Claims shall be made no later than 14 days following the Plan Implementation Date (the “**Plan Modification**”). On the same day and pursuant to the Meeting Order, the Monitor e-mailed a copy of the Plan Modification to each of the Affected Landlord Creditors. No inquiries or other communications have been received in response.

**5.0 SANCTION ORDER**

Plan Implementation

- 5.1 The Monitor outlined the details of the Plan and provided its views on the fairness and reasonableness of the Plan in the Fifth Report. As noted in the Fifth Report, the recovery that the Affected Landlord Creditors will receive under the Plan is substantially favourable compared to bankruptcy and the Monitor is of the view that the Plan is fair and reasonable.
- 5.2 If the Plan (as approved by the Affected Landlord Creditors at the Creditors’ Meeting) is approved by this Court, and if the Sanction Order is recognized by the US Court at the hearing scheduled on September 22, 2021 in the Chapter 15 Case, the Applicants intend to work to implement the Plan prior to the end of September, 2021.

Extension of the Stay Period

- 5.3 Pursuant to the Meeting Order, the current Stay Period expires on September 30, 2021. The Applicants are seeking an extension of the Stay Period to the earlier of: (i) the Plan Implementation Date; and (ii) October 30, 2021.
- 5.4 The Monitor supports the requested extension to the Stay Period for the following reasons:
- (i) the extension will provide the Applicants with the necessary time to implement the Plan and address remaining disputed claims in the Claims Process, if any;
  - (ii) the Applicants have sufficient liquidity through the requested extended Stay Period; and
  - (iii) the Applicants continue to act in good faith and with due diligence in their efforts to advance the CCAA Proceedings.

Termination of the CCAA Proceedings

- 5.5 Pursuant to the proposed Sanction Order, upon the satisfaction or waiver of the conditions precedent set out in the Plan in accordance to the terms therein, as confirmed by the Applicants, the Monitor is authorized and directed to deliver to the Applicants' counsel a certificate signed by the Monitor, certifying that the Plan Implementation Date has occurred, that the Plan is effective in accordance with its terms and the terms of the Sanction Order, and that the Charges, the Stay Period and the CCAA Proceedings are accordingly terminated (the "**Monitor's Plan Implementation Certificate**").

5.6 Upon the delivery of the Monitor's Plan Implementation Certificate:

- (i) the CCAA Proceedings shall be terminated;
- (ii) the Monitor shall be discharged, subject to authorizing the Monitor to complete any remaining duties and responsibilities in connection with the implementation of the Plan, including the resolution of any remaining disputed claims; and
- (iii) A&M shall be released of all claims relating to its activities as Monitor, whether before, on or after the date of the Sanction Order.

5.7 The proposed Sanction Order provides that the determination of any Disputed Distribution Claims that remain outstanding as at the Plan Implementation Date shall, notwithstanding the termination of the CCAA Proceedings and the implementation of the Plan, continue to be subject to the Claims Procedure Order and the Plan in all respects. In connection with the resolution of any remaining disputed claims, the proposed Sanction Order provides that the Monitor shall have all the protections given to it by the CCAA and the Orders granted in the CCAA Proceedings.

## **6.0 CASH FLOW RESULTS RELATIVE TO FORECAST**

6.1 Actual receipts and disbursements for the period from July 26, 2021 to September 5, 2021 (the "**Reporting Period**"), as compared to the cash flow forecast attached as Appendix "B" to the Fifth Report, are summarized in the following table:

Cash Flow Results, as at September 5, 2021		CAD in \$millions	
	Actual	Budget	Variance
<b>Receipts</b>	\$ -	\$ -	\$ -
<b>Disbursements</b>			
Professional Fees	(0.5)	(0.8)	0.3
<b>Net Cash Flow</b>	<b>(\$0.5)</b>	<b>(\$0.8)</b>	<b>\$0.3</b>
<b>Cumulative draw on DIP Facility (incl. accrued interest)</b>	<b>\$2.6</b>	<b>\$2.9</b>	<b>\$0.3</b>

6.2 During the Reporting Period, the Applicants incurred a positive net cash flow variance of approximately \$300,000 relative to forecast.

6.3 As at September 5, 2021, the Applicants' borrowings under the DIP Facility, including accrued interest, were approximately \$2.6 million. The maturity date of the DIP Facility has been extended from September 30, 2021 to October 30, 2021, to align with the requested extension of the Stay Period, pursuant to an amending agreement with the DIP Lender. Accordingly, the Applicants have access to sufficient liquidity for the requested extension of the Stay Period, during which the Applicants intend to implement the Plan and terminate the CCAA Proceedings.

## 7.0 UPDATED AND EXTENDED CASH FLOW FORECAST

7.1 As included in the Seventh McCullagh Affidavit, the Applicants prepared an updated and extended cash flow forecast (the "**Updated Forecast**") for the nine-week period ending October 30, 2021 (the "**Cash Flow Period**"). A copy of the Updated Forecast, together with a summary of assumptions is attached hereto as **Appendix "C"**. A summary of the Updated Forecast is provided in the following table:



<b>Cash Flow Forecast</b>	<b>CAD in \$millions</b>
<b>Receipts</b>	<b>\$ -</b>
<b>Disbursements</b>	
Professional Fees	(0.9)
<b>Net Cash Flow</b>	<b>(\$0.9)</b>
<b>Cumulative draw on DIP Facility (incl. accrued interest) as at October 30, 2021</b>	<b>\$3.5</b>

7.2 The Monitor notes the following with respect to the Updated Forecast:

- (i) as at the date of this Sixth Report, the Applicants have a negligible cash balance, which will not change during the course of the CCAA Proceedings as funds will be drawn on an “as-needed” basis from the DIP Facility to pay professional fees as the proceedings advance;
- (ii) other than professional fees, the Applicants do not have any other cash flow activity forecast during the Cash Flow Period;
- (iii) as described in the Prior Reports, consistent with past practice, all rent obligations owing by the Applicants during the CCAA Proceedings are to be paid directly by the Individual Opcos and franchisees pursuant to the occupancy agreements or subleases; and
- (iv) as described in the Fifth Report, the Company has pre-funded approximately US\$16 million in a specified bank account with Wells Fargo to be used for the distributions to be paid under the Plan. These amounts are not reflected in the Updated Forecast.

## **8.0 PAYMENT OF RENT & RENT RESERVE**

- 8.1 As described in the Pre-Filing Report, consistent with past practice, rent obligations of the Applicants are being paid directly to landlords on the Applicants' behalf by applicable Individual Opcos and franchisees (as described further in the Pre-Filing Report).
- 8.2 The Monitor has confirmed with the Applicants that rent relating to the period after the Filing Date, including most recently September rents, continues to be paid by Individual Opcos on behalf of the Applicants for ongoing leases.
- 8.3 The Monitor also continues to hold the US\$3.1 million Rent Reserve, representing approximately one month's aggregate rent obligation, to provide additional comfort to landlords that rents will be paid during the CCAA Proceedings. No draws on the Rent Reserve have been necessary. The Rent Reserve will be returned by the Monitor to the Applicants (or as directed by the Applicants) concurrently with the implementation of the Plan.

## **9.0 MONITOR'S ACTIVITIES SINCE THE DATE OF THE FIFTH REPORT**

- 9.1 In addition to those activities described above, the activities of the Monitor from the date of the Fifth Report have also included the following:
- (i) completing the noticing requirements pursuant to the Claims Procedure Order and the Meeting Order, including the distribution of Claims Packages, Information Packages, a copy of the Plan and a personal meeting identification number to electronically access the Creditors' Meeting. The Monitor also posted a copy of the

Claims Package, the Information Package, the Plan and the Meeting Order to the Case Website;

- (ii) participating in regular discussions with the Applicants and their legal counsel and advisors regarding the CCAA Proceedings, including in connection with ongoing discussions and negotiations with landlords;
- (iii) together with its legal counsel, reviewing and commenting on various of the Applicants' lease amendment agreements;
- (iv) working with the Monitor's US counsel, Young Conaway Stargatt & Taylor, LLP, and other counsel involved in the Chapter 15 Case;
- (v) continuing to assist the Applicants with communications related to the CCAA Proceedings and Chapter 15 Case, including updating the Case Website with Court-filed documents;
- (vi) monitoring the Applicants' cash flow; and
- (vii) with the assistance of legal counsel, preparing this Sixth Report.

## **10.0 APPROVAL OF THE FEES AND DISBURSEMENTS OF THE MONITOR AND THE MONITOR'S LEGAL COUNSEL**

- 10.1 Pursuant to paragraphs 27 and 28 of the Initial Order: (i) the Monitor and its Canadian and US counsel shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Initial Order; and (ii) the Monitor and its Canadian and US counsel shall pass their accounts from time to time before the Court.

- 10.2 Attached hereto as **Appendix “D”** is the Affidavit of Alan J. Hutchens sworn September 9, 2021 (the “**Hutchens Affidavit**”), attesting to the fees and disbursements of the Monitor for the period January 23, 2021 to September 2, 2021 in the aggregate amount of \$433,267.72, comprised of fees of \$353,769.50, disbursements (primarily for publication of notices of the proceedings in *The Globe and Mail* and *Wall Street Journal* newspapers) of \$29,653.26 and HST of \$49,844.96.
- 10.3 Attached hereto as **Appendix “E”** is the Affidavit of David Rosenblat of Osler, sworn September 10, 2021 (the “**Rosenblat Affidavit**”), attesting to the fees and disbursements of Osler, for the period January 21, 2021 to September 8, 2021 in the aggregate amount of \$223,206.98 comprised of fees of \$198,901.50, disbursements of \$846.77, and HST of \$25,678.71. The Monitor confirms that the fees and disbursements set out in Osler’s invoices relate to advice sought by the Monitor and assistance provided in respect of the CCAA Proceedings and the Chapter 15 Case, and that, in the Monitor’s view, Osler’s fees and disbursements are properly chargeable, reasonable and appropriate.
- 10.4 Attached hereto as **Appendix “F”** is the Affidavit of Matthew B. Lunn of Young Conaway Stargatt & Taylor, LLP (“**Young Conaway**”), US counsel to the Monitor, sworn September 9, 2021 (the “**Lunn Affidavit**”), attesting to the fees and disbursements of Young Conaway, for the period January 22, 2021 to July 31, 2021 in the aggregate amount of US\$151,823.68, comprised of fees of US\$96,136.50, and disbursements of US\$55,687.18. The Monitor confirms that the fees and disbursements set out in Young Conaway’s invoices relate to advice sought by the Monitor and assistance provided in respect of the CCAA and Chapter 15 Case, and that, in the Monitor’s view, Young Conaway’s fees and disbursements are properly chargeable, reasonable and appropriate.

10.5 It is the Monitor's view that the fees and disbursements of the Monitor and its counsel described in the Hutchens Affidavit, the Rosenblat Affidavit and the Lunn Affidavit, respectively, are reasonable and appropriate in the circumstances having regard to the scope of activity undertaken by the Monitor in the CCAA Proceedings.

10.6 Pursuant to the Plan and the Sanction Order, the Monitor shall not be required to pass its accounts pursuant to Initial Order going forward.

## **11.0 CONCLUSIONS AND RECOMMENDATIONS**

11.1 For the reasons set out in this Sixth Report, the Monitor respectfully recommends that the Court grant the relief requested by the Applicants.

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All of which is respectfully submitted to the Court this 10<sup>th</sup> day of September, 2021.

**Alvarez & Marsal Canada Inc., in its capacity as  
Monitor of Yatsen Group of Companies Inc.,  
SAR Real Estate Inc. and the Companies listed in Appendix “A”,  
and not in its personal or corporate capacity**

Per: \_\_\_\_\_

Alan J. Hutchens  
Senior Vice-President

**APPENDIX A**  
**LIST OF ADDITIONAL APPLICANT COMPANIES**

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.

**APPENDIX B**  
**FIFTH REPORT OF THE MONITOR (JULY 29, 2021)**

See attached.



**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 APPENDIX "A"

**FIFTH REPORT OF THE MONITOR  
ALVAREZ & MARSAL CANADA INC.**

**JULY 29, 2021**

## **TABLE OF CONTENTS**

<b>1.0</b>	<b>INTRODUCTION.....</b>	<b>1</b>
<b>2.0</b>	<b>TERMS OF REFERENCE AND DISCLAIMER .....</b>	<b>4</b>
<b>3.0</b>	<b>UPDATE ON LANDLORD DISCUSSIONS.....</b>	<b>5</b>
<b>4.0</b>	<b>PROPOSED CLAIMS PROCEDURE ORDER.....</b>	<b>7</b>
<b>5.0</b>	<b>PLAN OF COMPROMISE AND ARRANGEMENT.....</b>	<b>14</b>
<b>6.0</b>	<b>MEETING ORDER.....</b>	<b>18</b>
<b>7.0</b>	<b>CASH FLOW RESULTS RELATIVE TO FORECAST .....</b>	<b>23</b>
<b>8.0</b>	<b>UPDATED AND EXTENDED CASH FLOW FORECAST .....</b>	<b>24</b>
<b>9.0</b>	<b>OTHER UPDATES .....</b>	<b>25</b>
<b>10.0</b>	<b>MONITOR’S ACTIVITIES SINCE THE DATE OF THE FOURTH REPORT .....</b>	<b>26</b>
<b>11.0</b>	<b>CONCLUSIONS AND RECOMMENDATIONS.....</b>	<b>27</b>

## **APPENDICES**

**Appendix A** – List of Additional Applicant Companies

**Appendix B** – Cash Flow Forecast

## 1.0 INTRODUCTION

- 1.1 On January 25, 2021 (the “**Filing Date**”), Yatsen Group of Companies Inc. (“**YGC**”), SAR Real Estate Inc. (“**SAR Real Estate**”) and the 35 companies listed in **Appendix “A”** (collectively, the “**Applicants**”<sup>1</sup>) obtained an initial order (the “**Initial Order**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The proceedings are referred to herein as the “**CCAA Proceedings**”.
- 1.2 Alvarez & Marsal Canada Inc. (“**A&M**”), in its capacity as Monitor, filed the Pre-Filing Report of the Monitor (the “**Pre-Filing Report**”) prior to the commencement of the CCAA Proceedings. The Monitor has also filed the First Report of the Monitor dated January 29, 2021 (the “**First Report**”), the Second Report of the Monitor dated March 22, 2021 (the “**Second Report**”), the Third Report of the Monitor dated June 18, 2021 (the “**Third Report**”) and the Fourth Report of the Monitor dated July 16, 2021 (the “**Fourth Report**”). These reports and other Court-filed documents in the CCAA Proceedings are available on the Monitor’s case website at [www.alvarezandmarsal.com/YatsenGroup](http://www.alvarezandmarsal.com/YatsenGroup) (the “**Case Website**”).
- 1.3 The Initial Order, among other things appointed A&M as monitor of the Applicants (in such capacity, the “**Monitor**”), granted an initial stay of proceedings against the Applicants (the “**Stay Period**”), granted the DIP Lenders’ Charge, and authorized and empowered the Monitor to act as the foreign representative of the Applicants and to apply for foreign

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<sup>1</sup> YGC and two of the other Applicants are incorporated under the laws of Ontario. The remaining Applicants are incorporated in the United States. As described in the Third Report, SJ Yorktown Food Inc. is no longer an Applicant in the CCAA Proceedings.

recognition of these proceedings in the United States pursuant to Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Case**”)<sup>2</sup>.

- 1.4 On February 2, 2021, the Court granted the Amended and Restated Initial Order which modified the Initial Order in certain respects, including, among other things, extending the Stay Period and increasing the DIP Lenders’ Charge up to a maximum of \$5 million. As described in section 5.0 of the Second Report, on February 24, 2021, the United States Bankruptcy Court for the District of Delaware (the “**US Court**”) entered an order (the “**Chapter 15 Recognition Order**”) enforcing the Initial Order, including any extensions, amendments or modifications thereto, in the United States on a final basis, recognizing the CCAA Proceedings as a foreign main proceeding.
- 1.5 The Stay Period was extended by the Court on March 29, 2021 and further on June 25, 2021 and July 21, 2021, when among other things, the Court extended the Stay Period to August 31, 2021.
- 1.6 Each of the Applicants are directly or indirectly owned by Yatsen Group Inc. (“**YGI**”), a wholly owned subsidiary of Edjar International Inc. (“**EII**” and together with its direct and indirect subsidiaries, the “**Company**”). At the commencement of the CCAA proceedings, the Company operated approximately 226 Japanese quick service restaurants across the United States, of which 188 are leased directly by Applicants. YGI’s head offices are located in Markham, Ontario.

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<sup>2</sup> All documents filed in the Chapter 15 Case are available at <https://cases.primeclerk.com/yatsen/>.

- 1.7 The CCAA Proceedings were commenced by the Applicants to stabilize their business and to allow them to pursue a restructuring plan that includes: (i) continuing discussions with landlords in an effort to obtain sustainable lease amendments; and (ii) the termination of leases in respect of unsustainable locations and those locations where the Applicants cannot reach satisfactory consensual go-forward arrangements with landlords. As described in the Third Report, the Applicants have issued notices of disclaimer in respect of 30 leases and three related storage rental agreements. Six disclaimers have been rescinded by agreement of the applicable landlord and Applicant.
- 1.8 The purpose of this report (the “**Fifth Report**”) is to provide the Court with information, and where applicable, the Monitor’s views on:
- (i) the Applicants’ proposed Claims Procedure Order (also referred to as the “**Claims Process**”);
  - (ii) the Applicants’ proposed Plan of Compromise and Arrangement (the “**Plan**”);
  - (iii) the Applicants’ proposed Meeting Order, which among other things;
    - (a) authorizes the Applicants to conduct a meeting of the Affected Landlord Creditors (defined below) to consider and vote on a resolution to approve the Plan (the “**Creditors’ Meeting**”), and approves the procedures to be followed with respect to the Creditors’ Meeting; and
    - (b) extends the Stay Period to September 30, 2021;
  - (iv) the cash flow results of the Applicants for the two-week period ended July 25, 2021;

- (v) the Applicants' updated cash flow forecast for the 10-week period ending October 3, 2021;
- (vi) other updates regarding the CCAA Proceedings and the Chapter 15 Case since the date of the Fourth Report (July 16, 2021);
- (vii) activities of the Monitor since the date of the Fourth Report; and
- (viii) the Monitor's conclusions and recommendations in connection with the foregoing.

## **2.0 TERMS OF REFERENCE AND DISCLAIMER**

2.1 In preparing this Fifth Report, A&M, in its capacity as Monitor, has been provided with, and has relied upon, unaudited financial information, books and records and financial information prepared by the Company and has held discussions with the Company's management and its legal and financial advisors (collectively, the "**Information**"). Except as otherwise described in this Fifth Report:

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

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

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

2.3 This Fifth Report should be read in conjunction with the affidavit of Joseph McCullagh sworn on July 29, 2021 (the "**Sixth McCullagh Affidavit**") for additional background and other information regarding the Applicants. Capitalized terms used and not defined in this Fifth Report have the meanings given to them in the Pre-Filing Report, First Report, Second Report, Third Report, Fourth Report (collectively, the "**Prior Reports**") or the Sixth McCullagh Affidavit, as applicable.

2.4 Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars ("**CAD**").

### **3.0 UPDATE ON LANDLORD DISCUSSIONS**

3.1 As described in the Sixth McCullagh Affidavit, the Applicants have successfully entered into agreements (the "**Supporting Landlord Agreements**") with certain of their landlords (the "**Supporting Landlords**"), whereby the Supporting Landlords have each agreed:

- (i) to the amount of their respective claim for voting and distribution purposes in connection with the Plan;
- (ii) to vote for and support the proposed Plan; and
- (iii) where applicable, to certain go-forward amendments to the terms of their lease arrangements.

- 3.2 The Monitor understands that discussions are continuing with certain other landlords and that there may be additional Supporting Landlord Agreements reached before the date that this motion is heard, in which case the Applicants will provide a further update to the Court.
- 3.3 As summarized in the following table, the Supporting Landlords are estimated to represent approximately 66.6% of the aggregate estimated Affected Landlord Claims<sup>3</sup>:

Summary of Estimated Affected Landlord Claims					(USD in millions)
	# of Claimants	# of Leases	# of Leases Disclaimed <sup>4</sup>	Est. Affected Landlord Claims <sup>3</sup>	% of aggregate estimated Affected Landlord Claims
Supporting Landlords	100	110	13	\$ 20.3	<b>66.6%</b>
Remaining Landlords <sup>3</sup>	71	78	11	\$ 10.2	<b>33.4%</b>
<b>Total</b>	<b>171</b>	<b>188</b>	<b>24</b>	<b>\$ 30.5</b>	<b>100%</b>

- 3.4 As discussed in further detail below, the Applicants, in consultation with the Monitor and taking into account the discussions and negotiations held with their landlords to date, have

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<sup>3</sup> Affected Landlord Claims included in the table above consist of: (i) the actual claims amounts pursuant to the Supporting Landlords Agreements; and (ii) estimated claim amounts owing to the Remaining Landlords (defined below) in connection with: (a) pre-filing lease arrears; and (b) damage claims arising from lease disclaimers, calculated as the equivalent of four months' rent, where both (a) and (b) are based on the books and records of the Applicants. No other claims amounts are currently anticipated by the Applicants.

<sup>4</sup> Excludes leases for which disclaimers were rescinded.



developed the Plan which, among other things, provides for the payment of 50% of each Affected Landlord Creditor's allowed claim amount.

- 3.5 The claims of the Supporting Landlords will be as agreed to pursuant to the Supporting Landlord Agreements and will not be subject to the Claims Process, and accordingly Supporting Landlords need not submit any claim forms.
- 3.6 The proposed Claims Process is intended to determine the claims of those landlords that have not entered into a Supporting Landlord Agreement with one or more of the Applicants prior to the date of the Claims Procedure Order (the “**Remaining Landlords**”).

#### **4.0 PROPOSED CLAIMS PROCEDURE ORDER**

##### Overview

- 4.1 Capitalized terms utilized in this section and not otherwise defined herein have the meaning given to them in the Claims Procedure Order, a copy of which is attached as Tab 2 of the Motion Record of the Applicants.
- 4.2 Key Dates of the Claims Process are set out below:

Proposed or Estimated Date	Activity
On or about August 4, 2021	Claims Package and Creditors' Meeting materials to be posted to the Case Website
On or about August 5, 2021	Claims Packages to be sent to Affected Landlord Creditors (other than the Supporting Landlords) and the Information Package and a copy of the Plan sent to all Affected Landlord Creditors
10:00 a.m. August 23, 2021	Hearing before the US Court to seek recognition of the Claims Procedure Order and the Meeting Order under the Chapter 15 Case
5:00 p.m. on September 1, 2021	Claims Bar Date to submit a Notice of Dispute of Claim and D&O Proofs of Claim
5:00 p.m. on the later of the Claims Bar Date or seven business days after any future lease disclaimer	Restructuring Period Claims Bar Date for Affected Landlord Creditors with a Restructuring Period Claim to submit a Notice of Dispute of Claim to the Monitor
5:00 p.m. on September 7, 2021	Deadline to submit Proxy in respect of the Creditors' Meeting

Proposed or Estimated Date	Activity
10:00 a.m. on September 9, 2021	Creditors' Meeting
Such date in September 2021 after the Creditors' Meeting as the Court may set	Sanction Hearing to seek Sanction Order to approve the Plan
Such date in September 2021 after the Sanction Hearing as the US Court may set	Hearing before the US Court to seek recognition of the Sanction Order under the Chapter 15 Case
By the end of September 2021	Plan implementation (if Plan is approved)
September 30, 2021	Stay Period expiry date (as contemplated in proposed Meeting Order)

### Claims

4.3 As set out in greater detail in the Claims Procedure Order, the Monitor, on behalf of the Applicants, will solicit the following claims:

- (i) *Affected Landlord Claims*: any right or claim of any Remaining Landlord against the Applicants in connection with any indebtedness, liability or obligation of any kind whatsoever that was in existence on the Filing Date;
- (ii) *Restructuring Period Claims*: any right or claim of any Remaining Landlord arising out of the restructuring, disclaimer, resiliation, termination or breach by the Applicants on or after the Filing Date of any contract, lease or other agreement whether written or oral; and
- (iii) *D&O Claims*: any right or claim that may be asserted by any Remaining Landlord against one or more of the Directors and/or Officers of the Applicants, however arising, whereby such Director or Officer is by law or equity, liable to pay in his or her capacity as a Director or Officer.

4.4 The Claims Procedure Order does not apply to the following (collectively, the “**Unaffected Claims**”):

- (i) Claims entitled to the benefit of Charges under the Initial Order, including the DIP Lender's Charge;

- (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 any non-Applicants;
- (vi) any intercompany claims within the Company; and
- (vii) any Claims by any Person that is not a Landlord, including the secured claim of Wells Fargo.

4.5 In addition, as noted above, the claims of the Supporting Landlords will be as agreed to pursuant to the Supporting Landlord Agreements and will not be subject to the Claims Process, and accordingly Supporting Landlords need not submit any claim forms with respect to their agreed claim amounts.

#### Claims Bar Date

4.6 As described in the Sixth McCullagh Affidavit, the proposed Claims Process employs a “negative notice claims process” pursuant to which the Monitor will distribute Claims Packages to each of the Remaining Landlords and the Notice of Claim form will be pre-populated with their total claim amounts based on the books and records of the Applicants, as follows:

- (i) *Affected Landlord Claims*: based on the lease arrears owing as at the Filing Date; and
- (ii) *Restructuring Period Claims*: based on estimated damages from lease disclaimers, calculated as the equivalent of four months’ rent.

- 4.7 If any Remaining Landlord wishes to dispute their Affected Landlord Claim as set out in its Notice of Claim form, the Remaining Landlord must deliver a Notice of Dispute of Claim to the Monitor prior to 5:00 p.m. Toronto Time on September 1, 2021 (the “**Claims Bar Date**”).
- 4.8 If any Remaining Landlord wishes to dispute their Restructuring Period Claim as set out in its Notice of Claim form, the Remaining Landlord must deliver a Notice of Dispute of Claim to the Monitor prior to the later of: (i) the Claims Bar Date; and (ii) the date that is seven business days after the date of any future lease disclaimer (the “**Restructuring Period Claims Bar Date**”). In the event that any of the Applicants determine it necessary to disclaim additional leases, a Notice of Claim shall be sent to the applicable landlord which will include a pre-populated Restructuring Period Claim amount based on the books and records of the Applicants.
- 4.9 The proposed Claims Procedure Order provides that any Remaining Landlords asserting D&O Claims will be required to file a D&O Proof of Claim with the Monitor by 5:00 p.m. on the Claims Bar Date.
- 4.10 The Monitor believes that the Claims Bar Date and the Restructuring Period Claims Bar Date are reasonable in that they provide sufficient time from the date of this motion (or alternatively the date of any future lease disclaimer) for the Remaining Landlords to evaluate their Affected Landlord Claim, any Restructuring Period Claim and any Claim they may have against the Applicants’ Directors and Officers.

Notice

- 4.11 The proposed Claims Procedure Order provides that the Monitor will do the following in providing notice of the Claims Process:
- (i) as soon as practicable after the granting of the Claims Procedure Order, post a copy of the Claims Package, the D&O Instruction Letter and the D&O Proof of Claim to the Case Website;
  - (ii) as soon as practicable after the granting of the Claims Procedure Order, send a Claims Package to each of the Affected Landlord Creditors (other than the Existing Allowed Landlord Creditors) which shall include pre-populated claim amounts as determined by the books and records of the Applicants; and
  - (iii) provide a Claims Package to any Landlord that requests documents or information relating to the Claims Process prior to the Claims Bar Date, or if the Applicants or the Monitor become aware of any further claims, the Monitor shall take the steps that are considered appropriate to provide such Landlord with a Claims Package.
- 4.12 As described in the Sixth McCullagh Affidavit, the Applicants do not have any employees, and do not have other suppliers or creditors other than their landlords. Furthermore, the Claims Process is intended to only apply in respect of claims by the Remaining Landlords against the Applicants and the Directors and Officers. As such, the Monitor understands that the Applicants do not anticipate that there will be any unknown claimants coming forward in the Claims Process.

Assessment and Determination of Claims

- 4.13 The proposed Claims Procedure Order provides that the Monitor and the Applicants will review all Notices of Dispute of Claim received on or before the Claims Bar Date or the Restructuring Period Claims Bar Date, as applicable. If the Applicants, with the assistance of the Monitor, are unable to resolve the applicable disputed claim (whether for voting and/or distribution purposes), the Applicants must notify the Monitor and the Remaining Landlord, and any such disputed 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 Remaining Landlord.
- 4.14 The proposed Claims Procedure Order provides that the Applicants, with the assistance of the Monitor, shall review all D&O Proofs of Claim received from Remaining Landlords by the Claims Bar Date and shall accept, revise or reject each D&O Claim set out therein. The Monitor must notify each Remaining Landlord who has delivered a D&O Proof of Claim by the Claims Bar Date as to whether the applicable claim has been revised or rejected, and the reasons therefor, by sending a D&O Notice of Revision or Disallowance. The Claims Procedure Order provides that any Remaining Landlord who wishes to dispute a D&O Notice of Revision or Disallowance must deliver a D&O Notice of Dispute of Revision or Disallowance to the Monitor, with a copy to the Applicants, by 5:00 p.m. on the date that is five business days after the date of delivery of the applicable D&O Notice of Revision or Disallowance.
- 4.15 In the event that the Applicants, with the assistance of the Monitor and the consent of the applicable D&Os, are unable to resolve a dispute regarding a D&O Claim with the Remaining Landlord asserting such D&O Claim, the Claims Procedure Order requires that

the Applicants so notify the Monitor and such Remaining Landlord, and that the Disputed D&O Claim 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 Remaining Landlord.

Claims Officer

- 4.16 The proposed Claims Procedure Order provides for the appointment of a Claims Officer in the event that a disputed claim is unable to be resolved by the Applicant, in consultation with the Monitor, and the landlord. If the appointment of a Claims Officer becomes necessary, the Applicant may apply to the court for an Order appointing a Claims Officer to resolve the disputed claim.
- 4.17 The Claims Officer will review and determine the validity and amount of disputed claims in accordance with the terms of the Claims Procedure Order and, to the extent necessary, may determine whether any claim or part thereof constitutes an Unaffected Claim. The Claims Officer will determine all procedural matters which may arise in respect of their determination of such matters, including the manner in which any evidence may be adduced and to what extent and on whose account the costs of any hearing before the Claims Officer shall be paid.
- 4.18 Claims officers are commonly used in CCAA proceedings in order to expedite the resolution of disputed claims in a cost-effective manner. The Monitor views the use of a claims officer if necessary in the present proceedings as appropriate in order to advance the Claims Process and the CCAA Proceedings.

## **5.0 PLAN OF COMPROMISE AND ARRANGEMENT**

5.1 Capitalized terms utilized in this section and not otherwise defined herein have the meaning given to them in the Plan, a copy of which is attached as Exhibit “A” to the Sixth McCullagh Affidavit.

5.2 Readers are cautioned that the commentary below is an overview only, and, as such, interested parties should review the Plan in its entirety and should consider obtaining legal advice in connection therewith.

### Overview of the Plan

5.3 The Sixth McCullagh Affidavit describes the Plan in detail. Certain key matters with respect to the Plan have been summarized below:

- (i) the Plan has the strong support of the Supporting Landlords, representing approximately 66.6% of the estimated Affected Landlord Claims in value, and approximately 58.5% in number;
- (ii) the Plan provides for the payment of 50% of each Affected Landlord Creditor’s allowed claim amount;
- (iii) Affected Landlord Creditors’ claims have either already been (or prior to the Claims Procedure Order date will have been) agreed to pursuant to a Supporting Landlord Agreement or will be finally determined pursuant to the Claims Process described above;
- (iv) the only Persons entitled to vote on the Plan at the Creditors’ Meeting are Affected Landlord Creditors, subject to the terms of the proposed Meeting Order;



- (v) on or soon after the Plan Implementation Date, the Applicants intend to:
  - (a) pay to each Affected Landlord Creditor its Distribution Amount, being equal to 50% of the amount of its Allowed Distribution Claim(s); and
  - (b) pay to the Monitor, in trust, an amount equal to 50% of the aggregate gross amount of any Disputed Distribution Claims (the “**Aggregate Disputed Claims Potential Payable Amount**”) to be held in reserve for such claim amounts;
- (vi) following the payment of the Distribution Amounts in respect of the Allowed Distribution Claims, such claims will be fully, finally, irrevocably and forever compromised, released, discharged, cancelled and barred;
- (vii) following the resolution of any Disputed Distribution Claim, the Monitor shall release from the reserve the amount necessary to pay the Distribution Amount in respect of such landlord’s Allowed Distribution Claim and shall remit any balance related to such dispute to the Applicants (or as may be directed by the Applicants);
- (viii) based on the Applicants’ books and records, it is estimated that the total expected distribution amounts will be approximately US\$15.3 million. The Company has provided the Monitor with confidential information that shows, to the satisfaction of the Monitor, that the Individual Opcos (as described in the Pre-Filing Report) have sufficient cash on hand to fund the distributions under the Plan and will be pre-funding approximately US\$16 million in a specified bank account with Wells Fargo for use only in connection with the implementation of the Plan;

- (ix) the Plan provides for full and final releases in favour of the Applicants, the Directors and the Officers, the Monitor, the Monitor's counsel, the Company Advisors, and each and every present and former affiliate, subsidiary, director, officer, member, partner, employee, auditor, financial advisor, legal counsel and agent of any of the foregoing Persons; and
- (x) any Non-Barred D&O Claims and Non-Released D&O Claims shall not be compromised, provided that any Person having such a claim shall be limited to recovery solely from the proceeds of the applicable Insurance Policies.

5.4 If approved, sanctioned and implemented, the Plan provides:

- (i) for a full and final compromise, settlement and payment of all Affected Landlord Claims; and
- (ii) for a successful global restructuring and resolution of the Applicants' lease obligations.

Review for Potential Preferences and Transfers at Undervalue

5.5 Section 36.1 of the CCAA provides that Section 95 to 101 of the *Bankruptcy and Insolvency Act* (the "**BIA**") apply to proceedings under the CCAA. Pursuant to these sections, a court may, on application by the Monitor under the CCAA, declare preference transactions and transfer at undervalue (collectively, a "**Preference Transaction**") to be void as against the Monitor or, in the case of transfer at undervalue, order any party to (or privy to) the transfer to pay the difference in value between the consideration received by the debtor and the value given by the debtor.

- 5.6 As described in the Pre-Filing Report the Applicants do not have any employees and other than its landlords do not have any other creditors. The only financial transactions the Applicants are party to are transactions that consist of rent obligations pursuant to leases and corresponding transactions that are recorded when rent is paid on behalf of the Applicants directly by Individual Opcos and franchisees.
- 5.7 In order to conduct a review for potential Preference Transactions, the Monitor obtained the internal unaudited financial statements for each of the Applicants for the fiscal years ended December 31, 2020 and December 31, 2019 (the “**Financial Statements**”). Based on its review of the Financial Statements (and as confirmed by Management), the Monitor notes that the only transactions recorded in the Financial Statements relate to these rent transactions. The Monitor also notes that the Applicants do not generate any cash nor do they hold any cash balances or other realizable assets (other than YGC which occasionally holds a negligible cash balance, which was nil on the Filing Date).
- 5.8 Based on the review of the Financial Statements and general understanding of the operational structure of the Company, the Monitor is satisfied that there are no transactions that would constitute a Preference Transaction.

#### Bankruptcy Analysis

- 5.9 Pursuant to section 23(1)(i) of the CCAA, the Monitor is to advise the Court on the reasonableness and fairness of any compromise or arrangement that is proposed between the Applicants and its creditors. In considering the fairness and reasonableness of the Plan, the Monitor considered a comparison of the treatment of Affected Landlord Creditors’

claims under the Plan against the treatment of those claims under the alternative to the Plan, which, in the circumstances, would be bankruptcy proceedings under the BIA.

- 5.10 As described above, the Applicants do not hold cash or other realizable assets. For this reason, the Monitor is of the belief that distributions to Affected Landlord Creditors in bankruptcy proceedings of the Applicants would be materially less than the recovery that Affected Landlord Creditors will receive under the Plan. The 50% recovery that Affected Landlord Creditors will receive under the Plan is substantially favourable compared to bankruptcy and accordingly the Monitor is of the view the Plan is fair and reasonable.

## **6.0 MEETING ORDER**

- 6.1 The Applicants, in consultation with the Monitor, have prepared a proposed procedure for the Creditors' Meeting, and are seeking the Court's approval of the contemplated procedures, in the form of the Meeting Order. The Monitor views such procedures, including the terms for giving notice of the Creditors' Meeting, as appropriate in the circumstances in these CCAA Proceedings.
- 6.2 Capitalized terms utilized in this section and not otherwise defined herein have the meaning given to them in the Meeting Order, a copy of which is attached as Tab 3 to the Motion Record of the Applicants.
- 6.3 The Meeting Order contemplates a meeting of a single class of Affected Landlord Creditors, the Affected Landlord Creditors Class, to consider and vote on the Plan. Subject to the Meeting Order being approved, the Creditors' Meeting is proposed to be held

virtually on September 9, 2021 at 10:00 a.m. Toronto Time. The Creditors' Meeting will be chaired by the Monitor or its representative.

Notice of Creditors' Meeting

6.4 Following the granting of the Meeting Order, the Monitor will send to each Affected Landlord Creditor (or representative counsel):

- (i) the Information Package (consisting of the Notice of Meeting, the Proxy and the form of Resolution);
- (ii) the Plan; and
- (iii) a personal meeting identification number to access the Creditors' Meeting by electronic means (each, a "**Personal Meeting Identifier**").

6.5 The Monitor will also post the Information Package, the Plan and the Meeting Order to the Case Website.

6.6 As described in the Sixth McCullagh Affidavit, the Applicants do not propose to issue any newspaper notices in connection with the Meeting Order of the Creditors' Meeting as they are of the view that all of the Affected Landlord Creditors entitled to participate at the Creditors' Meeting are known to the Applicants and will be provided with the notice described above.

6.7 As contemplated in the Meeting Order, the Monitor will serve a report with the Court after the Creditors' Meeting (but prior to the Sanction Hearing) with respect to the results of the votes at the Creditors' Meeting.

Amendments to the Plan

- 6.8 The Meeting Order provides that the Applicants, with the consent of the Monitor, may make and file modifications, restatements, amendments or supplements to the Plan (each, a “**Plan Modification**”) prior to or at the Creditors’ Meeting prior to a vote being taken. Any such Plan Modification will be deemed to form part of and be incorporated into the Plan.
- 6.9 The Applicants may effect a Plan Modification after the Creditors’ Meeting: (i) pursuant to an Order of the Court; or (ii) where such Plan Modification is of an administrative nature required to better give effect to the implementation of the Plan or to cure any errors, omissions or ambiguities, and in either event is not materially adverse to the financial or economic interests of the Affected Landlord Creditors.
- 6.10 Where a Plan Modification is made prior to the Creditors’ Meeting, the Applicants will provide notice to the Service List. Where a Plan Modification is made prior to a vote at the Creditors’ Meeting, the Applicants will give notice to those Affected Landlord Creditors present in person or by Proxy. The Monitor will post notice of a Plan Modification to the Case Website forthwith in all cases.

Procedure for Creditors’ Meeting

- 6.11 The Meeting Order provides that a representative of the Monitor, to be designated by the Monitor, will serve as the chair of the Creditors’ Meeting and, subject to any further Order of the Court, will decide all matters relating to the conduct of the Creditors’ Meeting. The Monitor may appoint scrutineers for the supervision and tabulation of attendance at,

quorum at, and votes cast at the Creditors' Meeting, and a person designated by the Monitor will act as secretary at the Creditors' Meeting.

6.12 The only Person entitled to attend or speak at the Creditors' Meeting are representatives of the Applicants and their legal counsel and advisors, representatives of the Monitor and its legal counsel, and the Eligible Voting Creditors (or their respective duly appointed proxyholder) and their legal counsel and advisors. The Meeting Order also provides that the Chair may admit any other Person to the Creditors' Meeting by invitation.

6.13 The Applicants, the Monitor or the Chair is authorized to adjourn, postpone or otherwise reschedule the Creditors' Meeting from time to time as they may deem necessary or desirable. Written notice of any adjournment or postponement to the Service List and, if the adjournment is made during the Creditors' Meeting, announcement by the Chair shall constitute sufficient notice of the adjournment or postponement.

6.14 The quorum for the Creditors' Meeting will be one Affected Landlord Creditor with a Voting Claim present at such meeting in person or by Proxy.

#### Voting at the Creditors' Meeting

6.15 The Meeting Order provides that the Chair will direct a vote on the Resolution to approve the Plan, with any amendments or modifications thereto made in accordance with the Plan, the Meeting Order, and any further Order of the Court.

6.16 Each Affected Landlord Creditor with a Voting Claim or a Disputed Voting Claim will be entitled to one vote as a member of the Affected Landlord Creditors Class.

- 6.17 The Monitor will keep separate records of votes cast in respect of Voting Claims and Disputed Voting Claim (if applicable) and following the votes at the Creditors' Meeting will determine whether the Plan has been accepted by the Affected Landlord Creditors pursuant to section 6 of the CCAA.

Voting by Proxy

- 6.18 Any Person entitled to vote at the Creditors' Meeting may do so in person or by proxy. The Meeting Order provides that any Proxy must be received by the Monitor by 5:00 p.m. Toronto time at least two business days prior to the Creditors' Meeting and in substantially the form attached as Schedule "C" to the Meeting Order.

- 6.19 In the absence of specific instruction to vote for or against the approval of the Resolution in a duly signed and delivered Proxy, the Meeting Order provides that the Proxy will be deemed to include the instruction to vote for the approval of the Resolution, provided that the Proxy-holder does not otherwise exercise its right to vote at the Creditors' Meeting.

Transfers or Assignments of Claims

- 6.20 An Affected Landlord Creditor may transfer or assign the whole of its claim prior to the Creditors' Meeting by providing notice of such transfer or assignment, together with satisfactory evidence of such transfer or assignment to the Monitor, by no later than five Business Days prior to the Creditors' Meeting. The Monitor and the Applicants will not recognize partial transfers or assignment of Affected Landlord Claims.



- 6.21 An Affected Landlord Creditor may transfer or assign the whole of its Affected Landlord Claim after the Creditors' Meeting in the manner set out in the Meeting Order and as described above.

Extension of the Stay Period

- 6.22 Pursuant to the Stay Extension Order dated July 21, 2021, the current Stay Period expires on August 31, 2021. The Applicants are seeking an extension of the Stay Period to and including September 30, 2021.
- 6.23 The Monitor supports the requested extension to the Stay Period for the following reasons:
- (i) the extension will provide the Applicants with the necessary time to implement the Claims Process and hold the Creditors' Meeting;
  - (ii) the Applicants have sufficient liquidity through the requested extended Stay Period; and
  - (iii) the Applicants continue to act in good faith and with due diligence in their efforts to advance the CCAA Proceedings.

**7.0 CASH FLOW RESULTS RELATIVE TO FORECAST**

- 7.1 Actual receipts and disbursements for the period from July 12 to July 25, 2021 (the "**Reporting Period**"), as compared to the cash flow forecast attached as Appendix "C" to the Third Report, are summarized in the following table:

Cash Flow Results, as at July 25, 2021		CAD in \$millions	
	Actual	Budget	Variance
<b>Receipts</b>	\$ -	\$ -	\$ -
<b>Disbursements</b>			
Professional Fees	(0.2)	(0.2)	0.0
<b>Net Cash Flow</b>	<b>(\$0.2)</b>	<b>(\$0.2)</b>	<b>\$0.0</b>
<b>Cumulative draw on DIP Facility (incl. accrued interest)</b>	<b>\$2.1</b>	<b>\$2.1</b>	<b>\$0.0</b>

7.2 During the Reporting Period, the Applicants incurred a net cash flow variance of approximately nil relative to forecast.

7.3 As at July 25, 2021, the Applicants' borrowings under the DIP Facility, including accrued interest, were approximately \$2.1 million.

## 8.0 UPDATED AND EXTENDED CASH FLOW FORECAST

8.1 The Applicants have prepared an updated and extended cash flow forecast (the "**Updated Forecast**") for the 10-week period from July 26 to October 3, 2021 (the "**Cash Flow Period**"). A copy of the Updated Forecast, together with a summary of assumptions is attached hereto as **Appendix "B"**. A summary of the Updated Forecast is provided in the following table:

Cash Flow Forecast	CAD in \$millions
<b>Receipts</b>	\$ -
<b>Disbursements</b>	
Professional Fees	(1.4)
<b>Net Cash Flow</b>	<b>(\$1.4)</b>
<b>Cumulative draw on DIP Facility (incl. accrued interest) as at October 3, 2021</b>	<b>\$3.5</b>

8.2 The Monitor notes the following with respect to the Updated Forecast:

- (i) as at the date of this Fifth Report, the Applicants have a negligible cash balance, which will not change during the course of the CCAA Proceedings as funds will be drawn on an “as-needed” basis from the DIP Facility to pay professional fees as the proceedings advance;
- (ii) other than professional fees, the Applicants do not have any other cash flow activity forecast during the Cash Flow Period; and
- (iii) as described in the Prior Reports, consistent with past practice, all rent obligations owing by the Applicants during the CCAA Proceedings are to be paid directly by the Individual Opcos and franchisees pursuant to the occupancy agreements or subleases.

## **9.0 OTHER UPDATES**

- 9.1 As described in the Pre-Filing Report, consistent with past practice, rent obligations of the Applicants are being paid directly to landlords on the Applicants’ behalf by applicable Individual Opcos and franchisees (as described further in the Pre-Filing Report).
- 9.2 The Monitor has confirmed with the Applicants that rent relating to the period after the Filing Date, including most recently July rents, continues to be paid by Individual Opcos on behalf of the Applicants for ongoing leases.
- 9.3 The Monitor also continues to hold the US\$3.1 million Rent Reserve, representing approximately one month’s aggregate rent obligation, to provide additional comfort to

landlords that rents will be paid during the CCAA Proceedings. No draws on the Rent Reserve have been necessary.

## **10.0 MONITOR'S ACTIVITIES SINCE THE DATE OF THE FOURTH REPORT**

10.1 In addition to those activities described above, the activities of the Monitor from the date of the Fourth Report have also included the following:

- (i) participating in regular discussions with the Applicants and their legal counsel and advisors regarding the CCAA Proceedings, including in connection with ongoing discussions and negotiations with landlords;
- (ii) together with its legal counsel, reviewing and commenting on various of the Applicants' lease amendment agreements;
- (iii) together with its legal counsel, working with the Applicants to develop the proposed Claims Procedure Order, Meeting Order and the Plan;
- (iv) participating in weekly update calls with Hilco Real Estate, LLC to discuss progress being made with landlords;
- (v) working with the Monitor's US counsel, Young Conaway Stargatt & Taylor, LLP, and other counsel involved in the Chapter 15 Case;
- (vi) continuing to assist the Applicants with communications related to the CCAA Proceedings and Chapter 15 Case, including updating the Case Website with Court-filed documents;
- (vii) monitoring the Applicants' cash flow; and

(viii) with the assistance of legal counsel, preparing this Fifth Report.

## **11.0 CONCLUSIONS AND RECOMMENDATIONS**

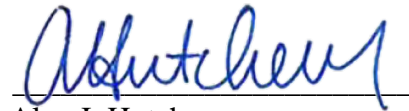
11.1 For the reasons set out in this Fifth Report, the Monitor respectfully recommends that the Court grant the relief requested by the Applicants.

\*\*\*\*\*

All of which is respectfully submitted to the Court this 29<sup>th</sup> day of July, 2021.

**Alvarez & Marsal Canada Inc., in its capacity as  
Monitor of Yatsen Group of Companies Inc.,  
SAR Real Estate Inc. and the Companies listed in Appendix “A”,  
and not in its personal or corporate capacity**

Per:



Alan J. Hutchens  
Senior Vice-President

**APPENDIX A**  
**LIST OF ADDITIONAL APPLICANT COMPANIES**

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.

**APPENDIX B**  
**CASH FLOW FORECAST**

See attached.



**Yatsen Group of Companies Inc., et. al.**  
**Cash Flow Forecast**  
*(Unaudited, in 000s CAD)*

<b>Week Ending</b>	<i>Week 1</i> <b>Aug 1</b>	<i>Week 2</i> <b>Aug 8</b>	<i>Week 3</i> <b>Aug 15</b>	<i>Week 4</i> <b>Aug 22</b>	<i>Week 5</i> <b>Aug 29</b>	<i>Week 6</i> <b>Sep 5</b>	<i>Week 7</i> <b>Sep 12</b>	<i>Week 8</i> <b>Sep 19</b>	<i>Week 9</i> <b>Sep 26</b>	<i>Week 10</i> <b>Oct 3</b>	<b>10 Week Total</b>
<b>Total Receipts</b>	-	-	-	-	-	-	-	-	-	-	-
<b>Disbursements</b>											
Professional Fees	-	(254)	-	(258)	-	(258)	-	(258)	-	(366)	<b>(1,394)</b>
<b>Net Cash Flow</b>	<b>-</b>	<b>(254)</b>	<b>-</b>	<b>(258)</b>	<b>-</b>	<b>(258)</b>	<b>-</b>	<b>(258)</b>	<b>-</b>	<b>(366)</b>	<b>(1,394)</b>
<b>DIP Facility</b>											
Beginning DIP Balance	(2,124)	(2,129)	(2,383)	(2,383)	(2,641)	(2,641)	(2,905)	(2,905)	(3,163)	(3,163)	<b>(2,124)</b>
DIP (Advance) / Repayment	-	(254)	-	(258)	-	(258)	-	(258)	-	(366)	<b>(1,394)</b>
+ Accrued Interest	(5)	-	-	-	-	(6)	-	-	-	(7)	<b>(19)</b>
<b>Ending DIP Balance</b>	<b>(2,129)</b>	<b>(2,383)</b>	<b>(2,383)</b>	<b>(2,641)</b>	<b>(2,641)</b>	<b>(2,905)</b>	<b>(2,905)</b>	<b>(3,163)</b>	<b>(3,163)</b>	<b>(3,537)</b>	<b>(3,537)</b>

*Prepared by Management. To be read in conjunction with the Notes and Summary of Assumptions.*

**Yatsen Group of Companies Inc., et al**  
**10-Week Cash Flow Forecast**  
**Notes and Summary of Assumptions**

**Disclaimer**

In preparing this cash flow forecast (the “Forecast”), the Applicants have relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions discussed below with respect to the requirements and impact of a filing under the Companies’ Creditors Arrangement Act (“CCAA”). Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Forecast period will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized. The Forecast is presented in thousands of Canadian dollars.

1. Professional Fees - Includes payments to the Applicants’ Canadian and US legal counsel, CCAA Monitor, Monitor’s Canadian and US legal counsel, case management services, and legal advisors to the DIP lenders.
2. Rent - **Readers are directed to review Section 4 of the Pre-Filing Report of the Monitor.**

As described in the Pre-Filing Report, the Applicants are party to a number of leases and are contracted to make rent payments to landlords pursuant to those leases. The Applicants however have occupancy and/or sublease agreements for each of its restaurant locations with an Individual Opco or franchisee who is contractually obligated to pay the Applicants the applicable rent amount for each of the individual locations. Prior to the impacts of the COVID pandemic, these rent amounts were paid directly by the Individual Opco to the applicable landlord on behalf of the Applicants. During the CCAA Proceedings, the applicable Individual Opco or franchisees will continue to make rent payments directly to the applicable landlord, not to the Applicants who would then have to remit them to the applicable landlords. **Accordingly, rent payments have not been included in the Forecast.**

Further, in order to provide additional comfort to landlords that rents will be paid in accordance with the leases during the CCAA Proceedings, the Applicants have deposited US\$3.1 million (the “**Rent Reserve**”) representing one month of aggregate rent obligations of the Applicants pursuant to their respective leases, held in escrow by the Monitor as security to ensure the payment of such rent obligations during the CCAA Proceedings.

3. Cash and Liquidity - As at July 25, 2021, the Applicants had cash of approximately nil. The Monitor understands that all future disbursements during the CCAA Proceedings will be funded by the DIP Loan. As at July 25, 2021, the DIP Loan had an outstanding balance, including accrued interest, of approximately \$2.1 million.

**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 APPENDIX “A”**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**FIFTH REPORT OF THE MONITOR**

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place, P.O. Box 50  
Toronto, ON M5X 1B8

Tracy Sandler – LSO# 32443N  
Dave Rosenblat – LSO# 64586K

Tel: (416) 362-2111  
Fax: (416) 862-6666

Lawyers for the Monitor

**APPENDIX C**  
**CASH FLOW FORECAST**

See attached.

**Yatsen Group of Companies Inc., et. al.****Cash Flow Forecast***(Unaudited, in 000s CAD)*

<b>Week Ending</b>	<i>Week 1</i> <b>Sep 5</b>	<i>Week 2</i> <b>Sep 12</b>	<i>Week 3</i> <b>Sep 19</b>	<i>Week 4</i> <b>Sep 26</b>	<i>Week 5</i> <b>Oct 3</b>	<i>Week 6</i> <b>Oct 10</b>	<i>Week 7</i> <b>Oct 17</b>	<i>Week 8</i> <b>Oct 24</b>	<i>Week 9</i> <b>Oct 30</b>	<b>9 Week Total</b>
<b>Total Receipts</b>	-	-	-	-	-	-	-	-	-	-
<b>Disbursements</b>										
Professional Fees	(186)	-	(186)	-	(186)	-	(186)	-	(142)	<b>(886)</b>
<b>Net Cash Flow</b>	<b>(186)</b>	<b>-</b>	<b>(186)</b>	<b>-</b>	<b>(186)</b>	<b>-</b>	<b>(186)</b>	<b>-</b>	<b>(142)</b>	<b>(886)</b>
<b>DIP Facility</b>										
Beginning DIP Balance	(2,567)	(2,759)	(2,759)	(2,945)	(2,945)	(3,138)	(3,138)	(3,324)	(3,324)	<b>(2,567)</b>
DIP (Advance) / Repayment	(186)	-	(186)	-	(186)	-	(186)	-	(142)	<b>(886)</b>
+ Accrued Interest	(6)	-	-	-	(7)	-	-	-	-	<b>(14)</b>
<b>Ending DIP Balance</b>	<b>(2,759)</b>	<b>(2,759)</b>	<b>(2,945)</b>	<b>(2,945)</b>	<b>(3,138)</b>	<b>(3,138)</b>	<b>(3,324)</b>	<b>(3,324)</b>	<b>(3,466)</b>	<b>(3,466)</b>

*Prepared by Management. To be read in conjunction with the Notes and Summary of Assumptions.*

**Yatsen Group of Companies Inc., et al**  
**9-Week Cash Flow Forecast**  
**Notes and Summary of Assumptions**

**Disclaimer**

In preparing this cash flow forecast (the “Forecast”), the Applicants have relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions discussed below with respect to the requirements and impact of a filing under the Companies’ Creditors Arrangement Act (“CCAA”). Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved during the Forecast period will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized. The Forecast is presented in thousands of Canadian dollars.

1. Professional Fees - Includes payments to the Applicants’ Canadian and US legal counsel, CCAA Monitor, Monitor’s Canadian and US legal counsel, case management services, and legal advisors to the DIP lenders.
2. Rent - **Readers are directed to review Section 4 of the Pre-Filing Report of the Monitor.**  
As described in the Pre-Filing Report, the Applicants are party to a number of leases and are contracted to make rent payments to landlords pursuant to those leases. The Applicants however have occupancy and/or sublease agreements for each of its restaurant locations with an Individual Opco or franchisee who is contractually obligated to pay the Applicants the applicable rent amount for each of the individual locations. Prior to the impacts of the COVID pandemic, these rent amounts were paid directly by the Individual Opco to the applicable landlord on behalf of the Applicants. During the CCAA Proceedings, the applicable Individual Opco or franchisees will continue to make rent payments directly to the applicable landlord, not to the Applicants who would then have to remit them to the applicable landlords. **Accordingly, rent payments have not been included in the Forecast.**  
Further, in order to provide additional comfort to landlords that rents will be paid in accordance with the leases during the CCAA Proceedings, the Applicants have deposited US\$3.1 million (the “**Rent Reserve**”) representing one month of aggregate rent obligations of the Applicants pursuant to their respective leases, held in escrow by the Monitor as security to ensure the payment of such rent obligations during the CCAA Proceedings.
3. Cash and Liquidity - As at August 29, 2021, the Applicants had cash of approximately nil. The Monitor understands that all future disbursements during the CCAA Proceedings will be funded by the DIP Loan. As at August 29, 2021, the DIP Loan had an outstanding balance, including accrued interest, of approximately \$2.6 million.

**APPENDIX D**  
**AFFIDAVIT OF ALAN J. HUTCHENS**

See attached.

**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"**

**AFFIDAVIT OF ALAN J. HUTCHENS  
(Sworn Date September 9, 2021)**

I, ALAN J. HUTCHENS, of the Town of Oakville, in the Province of Ontario,  
**MAKE OATH AND SAY:**

1. I am a Senior Vice-President of Alvarez & Marsal Canada Inc. ("**A&M**"), the Court appointed Monitor in these proceedings (the "**Monitor**"). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.
2. A&M was appointed as Monitor pursuant to the Initial Order (as amended and restated, the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on January 25, 2021. The Monitor retained Osler Hoskin & Harcourt LLP as its counsel in these proceedings.
3. Pursuant to paragraph 27 of the Initial Order, the Monitor and its legal counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Initial Order, by the Applicants as part of the proceedings. Pursuant to paragraph 28 of the Initial Order, the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are referred to the Court.
4. Attached hereto and marked as Exhibit "1" to this my Affidavit is a summary of the invoices rendered by A&M (the "**A&M Accounts**") in respect of these proceedings for the period



from January 23, 2021 to September 2, 2021 (the “**A&M Application Period**”), together with copies of the A&M Accounts.

5. A&M expended a total of 566.0 hours in connection with this matter during the A&M Application Period, giving rise to fees and disbursements totalling \$433,267.72, comprised of fees of \$353,769.50, disbursements (primarily for publication of notices of the proceedings in *The Globe and Mail* and *Wall Street Journal* newspapers) of \$29,653.26 and HST of \$49,844.96.

6. Attached hereto and marked as Exhibit “2” to this my Affidavit is a summary of the hours incurred and standard hourly rates of the A&M personnel involved in this matter.

7. A&M’s fees and disbursements for its remaining activities in this proceeding will be calculated and billed at A&M’s standard rates. Barring unforeseen circumstances, I estimate that those fees will not exceed \$150,000, excluding disbursements and HST.

8. To the best of my knowledge, A&M’s rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by A&M are comparable to the rates charged by A&M for services rendered in similar proceedings. A&M has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, approved by this Court in respect of similar services provided in a number of insolvency and restructuring files.

9. This Affidavit is sworn in connection with a motion by the Applicants to have the Monitor’s fees and disbursements, and those of its legal counsel, in connection with these proceedings, approved by this Court and for no improper purpose.

SWORN BEFORE ME over  
videoconference on this 9<sup>th</sup> day of  
September, 2021. The affiant was located in  
the City of Toronto, in the Province of  
Ontario and the Commissioner was located  
in the City of Toronto, Province of Ontario.  
This affidavit was commissioned remotely  
as a result of COVID-19.

*Tiffany Sun*

\_\_\_\_\_  
A Commissioner for taking affidavits  
Name:

Miao Sun, a Commissioner, etc.,  
Province of Ontario, while a  
Student-at-Law.  
Expires March 6, 2023.

*Alan J. Hutchens*

\_\_\_\_\_  
ALAN J. HUTCHENS

**THIS IS EXHIBIT “1”  
TO THE AFFIDAVIT OF ALAN J. HUTCHENS  
SWORN BEFORE ME THIS 9<sup>th</sup> DAY OF SEPTEMBER, 2021**

*Tiffany Sun*

---

Commissioner for Taking Affidavits

Miao Sun, a Commissioner, etc.,  
Province of Ontario, while a  
Student-at-Law.  
Expires March 6, 2023.

**EXHIBIT "1"**  
**ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED MONITOR OF**  
**YATSEN GROUP OF COMPANIES INC., ET AL**  
**(January 23, 2021 to September 2, 2021)**

Invoice No.	Invoice Date	Invoice Period / Description	Total Hours	Fees	Disbursements	HST	Invoice Total (\$CAD)
Invoice #2	February 5, 2021	January 23, 2021 to February 4, 2021	81.7	55,913.50	11,966.84	8,824.44	76,704.78
Invoice #3	February 19, 2021	February 5, 2021 to February 18, 2021	20.2	12,549.00	-	1,631.37	14,180.37
Invoice #4	March 5, 2021	February 19, 2021 to March 4, 2021	33.2	20,238.50	17,033.38	4,845.34	42,117.22
Invoice #5	March 19, 2021	March 5, 2021 to March 18, 2021	25.5	17,898.00	375.00	2,375.49	20,648.49
Invoice #6	April 1, 2021	March 19, 2021 to April 1, 2021	17.9	13,781.00	15.11	1,793.49	15,589.60
Invoice #7	April 30, 2021	April 2, 2021 to April 29, 2021	23.6	14,138.50	100.00	1,851.01	16,089.51
Invoice #8	May 14, 2021	April 30, 2021 to May 13, 2021	25.9	14,880.50	-	1,934.47	16,814.97
Invoice #9	June 18, 2021	May 14, 2021 to June 17, 2021	50.6	35,007.50	137.93	4,568.91	39,714.34
Invoice #10	July 9, 2021	June 18, 2021 to July 8, 2021	24.3	15,741.00	-	2,046.33	17,787.33
Invoice #11	July 23, 2021	July 9, 2021 to July 22, 2021	82.4	48,771.50	-	6,340.30	55,111.80
Invoice #12	August 6, 2021	July 22, 2021 to August 5, 2021	92.4	48,562.50	25.00	6,316.38	54,903.88
Invoice #13	August 20, 2021	August 6, 2021 to August 19, 2021	21.6	14,419.50	-	1,874.54	16,294.04
Invoice #14	September 3, 2021	August 20, 2021 to September 2, 2021	66.7	41,868.50	-	5,442.91	47,311.41
<b>TOTAL</b>			<b>566.0</b>	<b>\$353,769.50</b>	<b>\$ 29,653.26</b>	<b>\$ 49,844.96</b>	<b>\$433,267.72</b>



**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

February 5, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #2 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period January 23 to February 4, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	28.9	\$965	\$27,888.50
J. Nevsky, Senior Director	23.0	\$765	17,595.00
A. Sterling, Analyst	29.8	\$350	10,430.00
	<u>81.7</u>		<u>\$55,913.50</u>
Add: Out of pocket expenses – newspaper notice in The Wall Street Journal			<u>11,966.84</u>
			<u>\$67,880.34</u>
Add: HST @ 13%			<u>8,824.44</u>
<b>TOTAL INVOICE</b>			<u><b>\$76,704.78</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #2 (828837)  
HST#: 83486 3367 RT0001

<b><u>A. Hutchens</u></b>		<b><u>Hrs.</u></b>
Jan 23	Review the draft Chapter 15 materials and emails amongst legal counsel on same.	1.6
Jan 24	Review and provide comments on the draft Pre-Filing Report of the Proposed Monitor (“Pre-Filing Report”); emails with Osler to finalize the Pre-Filing Report; review aspects of the revised draft Chapter 15 materials and emails amongst legal counsel/emails with Young Conaway on same.	3.2
Jan 25	Prepare for and attend by videoconference the Court hearing for the Initial Order; teleconference with Young Conaway and Osler on next steps for commencing the Chapter 15 case; internal discussions and emails/emails with Goodmans and Osler on Day 1 items; emails with Young Conaway on Chapter 15 matters.	2.7
Jan 26	Internal emails on Week 1 items; emails with Goodmans on landlord/rent matters; emails with Young Conaway on open items; review and revise draft Forms 1 and 2 to be filed with the Office of the Superintendent of Bankruptcy (“OSB”); enter and upload Form 1 and related documents to the OSB’s CCAA Online Filing System; teleconference with Goodmans on landlord considerations; emails with Goodmans and Osler on notices to disclaim storage facility agreements.	4.2
Jan 27	Prepare for and attend by videoconference the Court hearing for the US Chapter 15 provisional orders; emails with Goodmans and Osler on open items; enter and upload Form 2 to the OSB’s CCAA Online Filing System; review the draft Amended and Restated Initial Order and related supporting affidavit and emails with Osler on same; internal discussion on the Monitor’s report for the comeback hearing and related matters; emails with Osler on claims formulas for disclaimed/rejected leases.	3.8
Jan 28	Review and revise the draft First Report of the Monitor (“First Report”); internal discussion and emails on open items; videoconference with CR3 on cash position, store/lease and other matters; videoconference with management, Hilco and Goodmans regarding discussions with landlords; emails with Goodmans and Osler on update/open items; review the revised draft First Report incorporating comments from Osler and emails with Osler on same.	4.3

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – January 23 to February 4, 2021**

Jan 29	Internal discussion on status of workstreams; review comments received from Goodmans on the draft First Report; review aspects of the revised affidavit; discussions with Goodmans on rent payments and other matters; review and finalize the First Report for service and emails with Osler on same.	2.4
Feb 1	Internal discussion and emails on open items/workstreams.	0.4
Feb 2	Emails among legal counsel regarding a requested change to the Amended and Restated Initial Order; prepare for and attend by videoconference the Court comeback hearing; internal discussion on the preliminary landlord claims analysis.	1.6
Feb 3	Review iterations of the preliminary draft landlord claims analysis and internal discussion and emails on same; discussion with Goodmans regarding a landlord/lease and other matters.	2.0
Feb 4	Videoconference with CR3 and Goodmans on cash position, store/lease and other matters; videoconference with management, Hilco and Goodmans regarding discussions with landlords; review the revised preliminary draft landlord claims analysis and internal emails on same; review iterations of the preliminary draft recoveries analysis and internal emails on same.	2.7
<b>TOTAL – A. Hutchens</b>		<b>28.9 hrs.</b>

<u><b>J. Nevsky</b></u>	<u><b>Hrs.</b></u>	
Jan 24	Review and provide final comments on the draft Pre-Filing Report and internal email correspondence on same.	1.2
Jan 25	Review and revise the draft Notice to Creditors, newspaper notice, creditor listing and internal discussions on same; review of case website structure and detail; correspondence with Goodmans regarding first day activities.	1.8
Jan 26	Review of CCAA OSB forms and internal discussion on same; call with Goodmans regarding lease negotiation process, potential landlord damage claims and other matters; coordinate meetings with CR3 and Hilco in connection with case matters.	2.8
Jan 27	Internal correspondence regarding Notice of Creditors and coordinate distribution with Prime Clerk; correspondence with Osler regarding case matters; prepare the draft First Report of the Monitor.	5.5



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – January 23 to February 4, 2021**

Jan 28	Prepare for and attend update call with CR3; prepare for an attend update call with Hilco; review of master landlord tracker from Hilco; internal discussions regarding rent arrears and potential landlord claims calculations; review comments received from Osler and Goodmans on the draft First Report.	4.2
Jan 29	Review the revised draft First Report and provide final comments; discussion with Osler on case matters.	2.2
Feb 1	Internal discussions regarding creditor notices and related CCAA matters; review of lease portfolio detail and internal discussions on same.	1.0
Feb 2	Review of master lease schedule and further required information.	0.6
Feb 3	Review of illustrative landlord claim schedules and internal discussion on same; discussions with Osler regarding case matters.	1.5
Feb 4	Prepare for and attend update call with CR3; prepare for an attend update call with Hilco; internal correspondence regarding illustrative landlord claims schedules and correspondence with Goodmans on same.	2.2
<b>TOTAL – J. Nevsky</b>		<b>23.0 hrs.</b>

**A. Sterling**

**Hrs.**

Jan 24	Review of additional materials posted to the data room; update litigation list.	0.4
Jan 25	Coordinate Monitor case website; prepare draft OSB forms; coordinate publishing of newspaper notices; update materials with information from Initial Order.	4.8
Jan 26	Call with Goodmans regarding landlord claims and negotiations; revise the draft OSB forms; internal discussions regarding landlord claims; coordinate uploading of Court documents to the case website.	3.7
Jan 28	Review of documents uploaded to data room; coordinate uploading of Court documents to the case website.	0.9
Feb 1	Coordinate uploading of Court documents to the case website prepare preliminary schedules of illustrative landlord claims and internal discussions on same.	4.4





***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – January 23 to February 4, 2021**

Feb 2	Continue work on schedules of illustrative landlord claims and internal discussions on same.	3.7
Feb 3	Respond to inquiries made to the Monitor's case inbox; prepare actual to forecast cash flow tracker; continue work on schedules of illustrative landlord claims and internal discussions on same.	6.0
Feb 4	Videoconferences with CR3 and Hilco for updates on cash position, landlord and other matters; prepare preliminary draft illustrative recoveries analysis and internal discussions/emails on same.	5.9
<b>TOTAL – A. Sterling</b>		<b>29.8 hrs.</b>



**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

February 19, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #3 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period February 5 to 18, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	5.4	\$965	\$5,211.00
J. Nevsky, Senior Director	5.2	\$765	3,978.00
A. Sterling, Analyst	9.6	\$350	3,360.00
	<u>20.2</u>		\$12,549.00
Add: HST @ 13%			1,631.37
<b>TOTAL INVOICE</b>			<u><b>\$14,180.37</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

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Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #3 (828837)  
HST#: 83486 3367 RT0001

***Yatsen Group of Companies Inc.***  
**DETAILED NARRATIVE – February 5 to 18, 2021**

<b><u>A. Hutchens</u></b>		<b><u>Hrs.</u></b>
Feb 5	Review the revised preliminary draft recoveries analysis and internal emails on same and other matters.	1.2
Feb 8	Internal emails/emails with Osler on open items; review aspects of Prime Clerk's case site.	1.0
Feb 9	Internal emails/emails with Goodmans and Osler on open items.	0.4
Feb 10	Review/internal emails on DIP disbursements tracker; internal discussion on open items/next steps.	0.5
Feb 11	Videoconference with CR3 and Goodmans on cash position, restaurant/lease and other matters.	0.4
Feb 16	Update emails with Osler regarding discussions with counsel to a landlord.	0.2
Feb 18	Emails with Young Conaway regarding the upcoming US Court hearing for final recognition of the Chapter 15 petitions; videoconference with management, Hilco and Goodmans regarding discussions with landlords; videoconference with CR3 and Goodmans on cash position, restaurant/lease and other matters; review update schedules provided by Hilco/Goodmans and financial reporting provided by CR3.	1.7
<b>TOTAL – A. Hutchens</b>		<b>5.4 hrs.</b>

<b><u>J. Nevsky</u></b>		<b><u>Hrs.</u></b>
Feb 5	Internal discussion regarding case matters; review of further revised illustrative recoveries analysis.	1.2
Feb 8	Emails with Osler regarding landlord inquiry.	0.2
Feb 10	Review lease detail summary provided by company and internal discussion on same.	0.3
Feb 11	Update call with CR3 regarding ongoing file matters; internal discussion regarding landlord claim estimates and next steps; review and comment on draft DIP tracker.	1.2
Feb 16	Emails with Young Conaway and Goodmans regarding information requests in connection with Chapter 15 proceedings.	0.5



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – February 5 to 18, 2021**

Feb 18	Prepare for and attend update call with CR3; prepare for and attend update call with Hilco; review financial update package provided by CR3 and internal discussion on same; review of Hilco lease discussion tracker.	1.8
<b>TOTAL – J. Nevsky</b>		<b>5.2 hrs.</b>

<u>A. Sterling</u>	<u>Hrs.</u>	
Feb 5	Prepare illustrative recoveries analysis and internal discussions on same.	0.8
Feb 8	Prepare draft DIP tracker and internal discussions on same.	1.0
Feb 9	Review of additional files uploaded to the data room; review and update draft DIP tracker and internal discussions on same.	3.1
Feb 10	Update DIP tracker internal discussions on same.	1.0
Feb 11	Update call with CR3 and review of new documents posted to data room.	0.5
Feb 12	Coordinate update of service list and upload of same to the case website.	0.4
Feb 18	Update discussions with CR3 and Hilco; update illustrative recoveries analysis.	2.8
<b>TOTAL – A. Sterling</b>		<b>9.6 hrs.</b>





March 5, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #4 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period February 19 to March 4, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	10.1	\$965	\$9,746.50
J. Nevsky, Senior Director	5.8	\$765	4,437.00
A. Sterling, Analyst	17.3	\$350	6,055.00
	<u>33.2</u>		<u>\$20,238.50</u>
Add: Out of pocket expenses for notice publications in The Globe & Mail (\$6,697.60) and Wall Street Journal (11,679.43)*			<u>18,377.03</u>
			<u>\$38,615.53</u>
Add: HST @ 13% *			<u>3,501.69</u>
<b>TOTAL INVOICE</b>			<u><b>\$42,117.22</b></u>

*\*Excludes HST re exempt out of pocket expenses*

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

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Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #4 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – February 19 to March 4, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Feb 22 Review the revised draft Recognition Order; review the draft Memorandum of Law for the upcoming Chapter 15 Court hearing and emails with Osler and Young Conaway to provide comments on same; read correspondence received from counsel to a landlord/property manager; review iterations of the updated draft estimated claims and illustrative recoveries analysis and internal emails on same.	3.7
Feb 23 Review aspects of Prime Clerk's case site; emails with Young Conaway on Court-filed documents; review the DIP tracker and internal emails on same; discussion with Goodmans on the draft illustrative claims and recoveries analysis and internal discussion on revisions to be made to same.	1.8
Feb 24 Review iterations of the revised draft illustrative claims and recoveries analysis and internal discussion and emails on same; emails with Young Conaway regarding the entered recognition order for the Amended and Restated Initial Order.	1.5
Feb 25 Internal status discussion; review the further revised draft illustrative claims and recoveries analysis and internal emails on same; videoconference with CR3 and Goodmans on restaurant/lease and other matters; videoconference with management, Hilco and Goodmans regarding discussions with landlords.	1.6
Feb 26 Review/internal emails regarding the draft illustrative claims and recoveries analysis.	0.5
Mar 2 Videoconference with Goodmans on the claims/recoveries analysis and subsequent internal discussion and emails on same.	0.5
Mar 4 Videoconference with management, Hilco and Goodmans regarding discussions with landlords and subsequent internal discussion.	0.5
<b>TOTAL – A. Hutchens</b>	<b>10.1 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Feb 22 Review updated Chapter 15 Recognition Order and related materials; emails with Osler regarding landlord matters; internal discussion regarding DIP tracker and related invoices.	1.0
Feb 23 Review DIP tracker and discussion with A. Sterling on same; review of Recognition Order and related materials.	0.8



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – February 19 to March 4, 2021**

Feb 24	Email correspondence with management and Young Conaway in regarding US tax matters.	0.5
Feb 25	Review and internal discussion of landlord claims and recoveries summary outputs; meeting with CR3 and Goodmans regarding CCAA matters; meeting with management and Hilco for status update on landlord discussions.	2.5
Mar 1	Emails with Young Conaway and Goodmans regarding US tax inquiries.	0.5
Mar 4	Meeting with management and Hilco regarding landlord discussions; internal discussions on CCAA matters.	0.5
<b>TOTAL – J. Nevsky</b>		<b>5.8 hrs.</b>

**A. Sterling**

**Hrs.**

Feb 19	Update the draft illustrative claims and recoveries analysis.	0.6
Feb 21	Further update/revise the draft illustrative claims and recoveries analysis.	2.9
Feb 22	Further revise the draft illustrative claims and recoveries analysis and internal discussion and emails on same.	3.0
Feb 23	Internal discussions on the draft illustrative claims and recoveries analysis; internal discussions on the DIP tracker.	0.6
Feb 24	Further revise the draft illustrative claims and recoveries analysis and internal discussions and emails on same.	4.5
Feb 25	Further revise the draft illustrative claims and recoveries analysis and internal emails on same; videoconference with CR3 and Goodmans on restaurant/lease and other matters; videoconference with management, Hilco and Goodmans regarding discussions with landlords.	2.7
Mar 2	Videoconference with Goodmans on the claims/recoveries analysis and subsequent internal discussions and emails on same; revise the claims/recoveries analysis.	2.6



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – February 19 to March 4, 2021**

Mar 4	Videoconference with management, Hilco and Goodmans regarding discussions with landlords.	0.4
<b>TOTAL – A. Sterling</b>		<b>17.3 hrs.</b>





March 19, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #5 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period March 5 to 18, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	7.1	\$965	\$6,851.50
J. Nevsky, Senior Director	11.1	\$765	8,491.50
A. Sterling, Analyst	7.3	\$350	2,555.00
	<u>25.5</u>		\$17,898.00
Add: Out of pocket expense – case website charges			375.00
			\$18,273.00
Add: HST @ 13%			2,375.49
<b>TOTAL INVOICE</b>			<u><b>\$20,648.49</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #5 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – March 5 to 18, 2021**

<b><u>A. Hutchens</u></b>		<b><u>Hrs.</u></b>
Mar 8	Emails with Young Conaway on a landlord matter; review the updated DIP tracker and internal emails on same.	0.4
Mar 11	Internal discussion and emails on the next Court report and related items; videoconference with CR3 and Goodmans on restaurant/lease and other matters; videoconference with Hilco and others regarding discussions with landlords; discussion with Goodmans on open items.	1.6
Mar 15	Review iterations of the draft updated and extended 13-week cash flow forecast and internal discussion and emails regarding same; discussion with Goodmans on landlord/leaseco and other matters; review a draft lease modification agreement and internal emails regarding same.	1.5
Mar 16	Review the revised draft cash flow forecast and internal emails on same; internal emails/emails with Osler and Goodmans regarding a draft lease modification agreement; discussion with Osler on the lease modification agreement and other matters.	1.3
Mar 17	Internal discussions on the draft cash flow forecast and other matters; discussion and emails with Goodmans on open items.	0.8
Mar 18	Internal discussion on the next Court report and related items; videoconference with Hilco and others regarding discussions with landlords; review the draft affidavit and related orders for the upcoming Court hearing for the stay extension and approval of the Yorktown settlement agreement.	1.5
<b>TOTAL – A. Hutchens</b>		<b>7.1 hrs.</b>

<b><u>J. Nevsky</u></b>		<b><u>Hrs.</u></b>
Mar 8	Emails with Goodmans; review of DIP tracker.	0.2
Mar 11	Attend update call with Hilco and others; internal correspondence regarding case matters.	0.5
Mar 15	Prepare the draft Second Report of the Monitor (“Second Report”); internal discussion regarding updated cash flow forecast; emails with Young Conaway regarding the Chapter 15 case.	4.2



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – March 5 to 18, 2021**

Mar 16	Prepare the draft Second report; review of email correspondence regarding Yorktown and internal discussion on same; review updated cash flow forecast and email correspondence with Goodmans and management on same.	2.0
Mar 17	Email correspondence regarding updated cash flow forecast.	0.5
Mar 18	Further prepare the draft Second report; attend call with Hilco and others; internal discussion regarding case matters.	3.7
<b>TOTAL – J. Nevsky</b>		<b>11.1 hrs.</b>

**A. Sterling**

**Hrs.**

Mar 5	Update cash flow actuals.	0.4
Mar 8	Update cash flow actuals.	0.3
Mar 11	Videoconference with Hilco and others regarding discussions with landlords; further update to cash flow.	0.9
Mar 15	Prepare extended 13-week cash flow forecast and internal discussions on same; review a draft lease modification agreement and internal emails regarding same.	3.1
Mar 17	Internal discussion and revise the draft cash flow forecast.	0.4
Mar 18	Videoconference with Hilco and others regarding discussions with landlords; prepare schedule for the draft Second Report and internal discussions on same.	2.2
<b>TOTAL – A. Sterling</b>		<b>7.3 hrs.</b>





April 1, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #6 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period March 19 to April 1, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	7.7	\$965	\$7,430.50
J. Nevsky, Senior Director	6.7	\$765	5,125.50
A. Sterling, Analyst	3.5	\$350	1,225.00
	<u>17.9</u>		\$13,781.00
Add: Out of pocket expenses – telephone charges			15.11
			\$13,796.11
Add: HST @ 13%			1,793.49
<b>TOTAL INVOICE</b>			<u><b>\$15,589.60</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

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Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #6 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – March 19 to April 1, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Mar 19 Review and revise the draft Second Report of the Monitor (“Second Report”) and internal emails/emails with Osler related to same; read aspects of the final Yorktown Settlement Agreement; internal emails regarding the updated and extended cash flow forecast.	2.2
Mar 21 Review the revised draft Second Report incorporating comments from Osler and internal emails/emails with Osler on same; emails with Osler and Goodmans regarding the draft motion materials.	1.5
Mar 22 Review comments received from Goodmans on the draft Second Report and emails with Osler on same; review the revised draft Second Report and emails with Osler to finalize same for service.	1.8
Mar 24 Discussion with Goodmans on a landlord/lease matter.	0.2
Mar 29 Prepare for and attend by videoconference the Court hearing for extension of the stay and approval of the Yorktown Settlement Agreement; emails with Osler and Goodmans on Chapter 15 matters.	0.8
Mar 30 Emails with Goodmans related to the Yorktown settlement; emails with Osler and Young Conaway on Chapter 15 matters.	0.4
Mar 31 Emails with Goodmans on weekly cash position; review of updated recoveries/claims analysis and internal emails on same.	0.3
Apr 1 Videoconference with Hilco and others regarding landlord/lease discussions; discussion with Goodmans on open items.	0.5
<b>TOTAL – A. Hutchens</b>	<b>7.7 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Mar 19 Review of Hilco’s summary of landlord tracker and internal discussion on same; review of DIP tracker and cash position; internal revisions and updates to the draft Second Monitor.	4.0
Mar 20 Review the updated DIP tracker and internal discussion on same.	0.2
Mar 22 Review the updated DIP tracker and revise the draft Second Report; discussions with Osler to finalize the Second Report.	1.2
Mar 24 Emails with Goodmans regarding case matters.	0.2



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – March 19 to April 1, 2021**

Mar 25	Internal discussion on case matters; update call with management, Hilco and Goodmans; internal discussion regarding case website updates.	0.5
Apr 1	Review the updated recoveries/claims analysis and internal discussion on same; update call with Hilco and others on status of lease discussions.	0.6
<b>TOTAL – J. Nevsky</b>		<b>6.7 hrs.</b>
<b><u>A. Sterling</u></b>		<b><u>Hrs.</u></b>
Mar 19	Prepare the updated and extended cash flow forecast for the stay extension period and internal emails on same.	1.7
Mar 22	Review aspects of the Second Report; coordinate upload of Court materials to the case website.	0.3
Mar 25	Videoconference with Hilco and others regarding landlord discussions.	0.2
Mar 30	Coordinate upload of Court materials to the case website.	0.2
Apr 1	Videoconference with Hilco and others regarding landlord discussions; update recoveries/claims analysis and internal emails on same.	1.1
<b>TOTAL – A. Sterling</b>		<b>3.5 hrs.</b>



**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

April 30, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #7 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period April 2 to 29, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	4.7	\$965	\$4,535.50
J. Nevsky, Senior Director	7.2	\$765	5,508.00
A. Sterling, Analyst	11.7	\$350	4,095.00
	<u>23.6</u>		\$14,138.50
Add: Out of pocket expenses – case website charges			100.00
			\$14,238.50
Add: HST @ 13%			1,851.01
<b>TOTAL INVOICE</b>			<u><b>\$16,089.51</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
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Toronto, ON M5J 2J1

**Wiring Instructions:**

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Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #7 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***  
**DETAILED NARRATIVE – April 2 to 29, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Apr 15 Internal discussion regarding case status/next steps.	0.4
Apr 19 Review the updated landlord tracker; review the updated DIP tracker; emails with Young Conaway on a Chapter 15 matter.	0.8
Apr 20 Internal emails on responding to an inquiry from counsel to a landlord.	0.2
Apr 21 Review the updated illustrative claims and recoveries analysis and internal videoconference on same; review revisions to the analysis and internal emails on same; review further scenario analysis and internal emails on same.	1.4
Apr 23 Review further claims analysis and internal discussion and emails on same; review and finalize the Monitor's Certificate for the Yorktown settlement and emails with Osler on same; discussion with Goodmans.	1.3
Apr 26 Review a draft lease amendment and internal emails/emails with Osler on same.	0.4
Apr 27 Internal emails/emails with Osler regarding a draft lease amendment.	0.2
<b>TOTAL – A. Hutchens</b>	<b>4.7 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Apr 8 Attend update call with Hilco and others; review of updated DIP tracker and discussion with A. Sterling on same.	0.8
Apr 15 Attend update call with Hilco and others; internal call regarding case status.	1.0
Apr 19 Review Hilco's update regarding status/progress with landlords to date.	0.5
Apr 20 Internal emails regarding a creditor inquiry and related case matters.	0.6
Apr 21 Review of landlord claims and recoveries analysis and internal discussion on same; emails with Goodmans regarding alternate scenarios.	2.2
Apr 22 Attend update call with Hilco and others; review of revised claims analysis and internal discussion on same.	1.0





***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – April 2 to 29, 2021**

Apr 23	Internal discussion regarding landlord claims analysis and related case matters.	0.6
Apr 29	Attend update call with Hilco and others; internal call on CCAA matters.	0.5
<b>TOTAL – J. Nevsky</b>		<b>7.2 hrs.</b>

**A. Sterling**

**Hrs.**

Apr 8	Attend update call with Hilco and others; update the DIP tracker and discussion with J. Nevsky on same.	2.1
Apr 15	Attend update call with Hilco and others; internal call with A. Hutchens and J. Nevsky.	1.0
Apr 20	Respond to Monitor inbox inquiries; update cash flow; update landlord claims analysis per updates from Hilco and Goodmans.	2.6
Apr 21	Update landlord claims/recoveries analysis and internal emails and discussions on same.	1.8
Apr 23	Update landlord claims/recoveries analysis; emails with Goodmans and internal discussions on same.	2.6
Apr 27	Review of proposed lease amendment and internal discussion on same.	1.1
Apr 29	Attend update call with Hilco and others.	0.5
<b>TOTAL – A. Sterling</b>		<b>11.7 hrs.</b>





**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

May 14, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #8 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period April 30 to May 13, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	4.8	\$965	\$4,632.00
J. Nevsky, Senior Director	6.9	\$765	5,278.50
A. Sterling, Analyst	14.2	\$350	4,970.00
	<u>25.9</u>		\$14,880.50
Add: HST @ 13%			1,934.47
<b>TOTAL INVOICE</b>			<u><u>\$16,814.97</u></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #8 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – April 30 to May 13, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Apr 30      Videoconference with Goodmans and Osler on the proposed claims process and related matters; review the draft Claims Procedure Order (“CPO”).	1.5
May 5        Emails with Goodmans and Osler on lease matters; review disclaimer notices and emails with Osler on same; review the revised draft illustrative claims and recoveries analysis and internal emails regarding same.	0.8
May 6        Further review aspects of the draft CPO and emails with Osler on same; review and internal emails on the disclaimed lease tracker.	0.7
May 7        Review the updated/revised draft illustrative claims and recoveries analysis.	0.3
May 11      Review iterations of the further draft claims analysis and internal emails/emails with Goodmans regarding same; internal discussion on case matters; read a lease amendment and internal emails on same.	1.0
May 12      Review the updated/revised draft illustrative claims and recoveries analysis; review the updated DIP tracker; internal emails regarding a lease amendment.	0.5
<b>TOTAL – A. Hutchens</b>	<b>4.8 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Apr 30      Videoconference with Goodmans and Osler to review the draft Claims Procedure Order and related matters.	1.2
May 5        Internal communications on landlord claims/recovery model and proposed lease disclaimers; review and comment on draft Claims Procedure Order.	1.2
May 6        Attend update call with Hilco and others; internal update call on case matters.	0.8
May 7        Internal discussions and review of revised landlord claims/recovery model and alternate scenarios.	1.0
May 11      Review of lease amendment agreement and internal discussion on same.	0.6



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – April 30 to May 13, 2021**

May 12	Internal communications on revised landlord claims/recoveries model and review of alternate scenario summaries, and discussion with A. Sterling on same.	1.5
May 13	Review prior landlord update tracker; attend update call with Hilco and others.	0.6
<b>TOTAL – J. Nevsky</b>		<b>6.9 hrs.</b>

**A. Sterling**

**Hrs.**

Apr 30	Videoconference with Goodmans and Osler on the proposed claims process and related matters.	0.5
May 5	Review disclaimer notices and internal emails on same; update the draft illustrative claims and recoveries analysis and internal emails regarding same.	2.3
May 6	Videoconference with Hilco and others on landlord negotiations; update and internal emails on the disclaimed lease tracker.	2.6
May 7	Update draft illustrative claims and recoveries analysis.	2.1
May 11	Further updates to the draft claims analysis and internal emails/emails with Goodmans regarding same; internal discussion on case matters; read a lease amendment and internal emails on same.	3.1
May 12	Further updates to the draft illustrative claims and recoveries analysis; update the DIP tracker; internal emails regarding a lease amendment.	3.4
May 13	Videoconference with Hilco and others on landlord negotiations.	0.2
<b>TOTAL – A. Sterling</b>		<b>14.2 hrs.</b>





June 18, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #9 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period May 14 to June 17, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	14.9	\$965	\$14,378.50
J. Nevsky, Senior Director	19.6	\$765	14,994.00
A. Sterling, Analyst	16.1	\$350	5,635.00
	<u>50.6</u>		<u>\$35,007.50</u>
Add: Out of pocket expenses – case website charges			<u>137.93</u>
			<u>\$35,145.43</u>
Add: HST @ 13%			<u>4,568.91</u>
<b>TOTAL INVOICE</b>			<u><b>\$39,714.34</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #9 (828837)  
HST#: 83158 2127 RT0001

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
May 18      Teleconference with Goodmans and Osler on claims and related matters.	0.5
May 19      Internal emails/emails with Osler regarding a service provider for the Plan meeting platform; review the draft meeting order.	1.1
May 27      Review the revised draft claims procedure and meeting orders incorporating comments from Osler and emails with Osler on same; read a lease amendment and internal discussion on same.	1.4
May 28      Read a multi-property lease modification agreement and internal emails/emails with Osler regarding same.	0.6
June 1      Emails with Osler on the draft orders; emails with Young Conaway on case status/next Canadian Court hearing.	0.4
June 3      Internal discussion and emails on landlord/lease matters.	0.3
June 4      Review the draft motion materials to close the Chapter 15 case of SJ Yorktown and emails with Osler and Young Conaway regarding same.	0.3
June 7      Discussion with Goodmans on open items; read a draft temporary lease.	0.5
June 8      Review the draft CCAA Plan and illustrative timeline and internal emails on related matters.	1.3
June 9      Teleconference with Goodmans and Osler on timeline, the draft CCAA Plan and related matters; review and revise the draft fee affidavit and internal emails on same; review aspects of the draft claims procedure order and draft CCAA Plan; read amendment no. 1 to the DIP financing agreement.	1.8
June 10     Review drafts of the CCAA Plan incorporating comments from Osler and Young Conaway and related emails regarding same.	1.5
June 14     Read a draft lease amendment; internal discussion on items required/content for next Court report; emails with Osler and Young Conaway on timeline; review the draft affidavit and order for the upcoming Court hearing.	1.2

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – May 14 to June 17, 2021**

June 15	Review iterations of the draft updated and extended cash flow forecast and internal emails on same; review draft lease amendments and internal emails on same; review and revise the draft Third Report of the Monitor (“Third Report”) and internal emails on same.	2.1
June 16	Review the revised draft Third Report incorporating comments from Osler and emails with Osler on same; emails amongst legal counsel related to the upcoming Court hearing; internal emails regarding the updated and extended cash flow forecast.	1.2
June 17	Review comments received from Goodmans on the draft Third Report and internal emails/emails with Osler related to same; review the revised draft Third Report and internal emails to finalize same for service.	0.7
<b>TOTAL – A. Hutchens</b>		<b>14.9 hrs.</b>

**J. Nevsky**

**Hrs.**

May 18	Attend meeting with Goodmans and Osler regarding claims process and related items.	0.6
May 20	Attend update call with Hilco and others; internal update call on case matters.	0.5
May 25	Attend call with Osler and Lumi to review hosting of virtual meeting and related matters.	0.5
May 27	Attend update call with Hilco and others; internal update call on case matters; review a draft lease amendment and related discussion with Osler; review of draft claims procedure order and related Court materials.	1.2
May 28	Review and comment on a lease amendment and related discussion with Osler.	0.6
June 3	Attend update call with Hilco and others; internal update call on case matters.	0.5
June 7	Emails with Osler regarding creditors meeting matters; review a lease amendment agreement and internal discussion on same.	0.5



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – May 14 to June 17, 2021**

June 9	Attend meeting with Goodmans and Osler regarding the draft plan of arrangement and related matters; initial review of the draft Plan and discussion with Osler on same.	1.0
June 10	Further review the draft Plan.	0.5
June 14	Review a draft lease amendment; internal discussions regarding cash flow forecast updates.	1.0
June 15	Review the draft affidavit and stay extension order; drafting of Monitor's Third Report; review of DIP advances and revised cash flow and internal discussion on same; review draft lease amendment agreements.	4.5
June 16	Discussion with Osler and A. Hutchens regarding the draft Third Report and update same; review and update the draft 13-week cash flow forecast.	3.2
June 17	Review comments received on the draft Third Report and finalize same; emails with Goodmans and management on the draft 13-week cash flow forecast and finalize same; attend update call with Hilco and others; internal discussion regarding Court materials and related matters.	5.0
<b>TOTAL – J. Nevsky</b>		<b>19.6 hrs.</b>

<u><b>A. Sterling</b></u>	<u><b>Hrs.</b></u>	
May 27	Review draft lease amendments and internal discussions on same; videoconference with Hilco and others; coordinate update of case website.	2.4
June 1	Update landlord claims analysis and cash flow.	1.4
June 3	Internal discussion and emails on lease matters and videoconference with Hilco and others.	0.4
June 9	Prepare the draft fee affidavit and internal emails on same; review aspects of the draft claims procedure order and draft CCAA Plan.	2.4
June 15	Update the draft cash flow forecast; draft aspects of the Third Report; review lease amendments and internal discussions on same.	4.4





***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – May 14 to June 17, 2021**

June 16	Revise the draft cash flow forecast; revise aspects of the draft Third Report and internal discussions on same.	3.6
June 17	Update aspects of the draft Third Report and internal emails on same; coordinate update of the case website.	1.5
<b>TOTAL – A. Sterling</b>		<b>16.1 hrs.</b>



**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

July 9, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #10 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period June 18 to July 8, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	6.3	\$965	\$6,079.50
J. Nevsky, Senior Director	8.1	\$765	6,196.50
A. Sterling, Analyst	9.9	\$350	3,465.00
	<u>24.3</u>		\$15,741.00
Add: HST @ 13%			2,046.33
<b>TOTAL INVOICE</b>			<u><u><b>\$17,787.33</b></u></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

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Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #10 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – June 18 to July 8, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
June 23 Read a draft lease amendment and internal emails related to same; review the updated draft illustrative claims and recoveries analysis and internal emails regarding same.	0.7
June 25 Prepare for and attend the Court hearing for approval of the Stay Extension Order.	0.6
June 28 Read a draft lease amendment and internal emails related to same.	0.5
June 29 Internal discussion on landlord/lease amendment matters.	0.2
June 30 Teleconference with Osler and Young Conaway on timeline for recognition of claims procedure and other orders.	0.5
July 2 Read a draft lease amendment and internal emails related to same; review adjusted chart of potential timeline for recognition of orders and related email from Young Conaway.	1.0
July 6 Emails with Young Conaway and Osler regarding timeline for the Chapter 15 proceedings; review the revised draft claims procedure order.	1.0
July 8 Review the revised draft meeting order and CCAA plan; discussion with Goodmans on a plan matter; emails with Osler on draft Court materials.	1.8
<b>TOTAL – A. Hutchens</b>	<b>6.3 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
June 18 Finalize the Third Report of the Monitor with Osler; review the case website and internal discussion on same.	0.5
June 22 Review revised landlord claims analysis and correspondence with Goodmans on same.	0.4
June 23 Attend update call with Hilco and others; internal discussion regarding case matters.	0.4
June 28 Review and comment on lease amendment agreement and discussion with Osler on proposed revisions; internal discussion on lease economics.	1.5



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – June 18 to July 8, 2021**

June 30	Review of lease amendment agreement.	0.5
July 2	Review and comment on lease amendment agreement and discussion with Osler on same.	1.0
July 6	Initial review of the draft Court materials, claims procedure order, meeting order and CCAA plan.	0.6
July 8	Review the draft claims procedure order, meeting order and CCAA plan; initial drafting of the Fourth Report of the Monitor and discussion with A. Sterling on same; attend update call with Hilco and others.	3.2
<b>TOTAL – J. Nevsky</b>		<b>8.1 hrs.</b>

<u>A. Sterling</u>	<u>Hrs.</u>	
June 22	Update draft illustrative claims and recoveries analysis and internal discussions on same.	0.9
June 23	Review economic terms of a draft lease amendment and internal emails related to same; update draft illustrative claims and recoveries analysis and internal emails regarding same.	2.4
June 24	Review economic terms of a draft lease amendment and internal emails related to same; videoconference with Hilco and others.	1.4
June 28	Review economic terms of a draft lease amendment and internal emails related to same.	0.9
June 30	Review economic terms of a draft lease amendment and internal emails related to same; update cash flow; coordinate upload of Court documents to the case website.	0.8
July 2	Review economic terms of a draft lease amendment and internal discussions related to same.	1.4
July 8	Review economic terms of a draft lease amendment and internal emails related to same; videoconference with Hilco and others; review aspects of the revised draft meeting order and CCAA plan and internal discussions on same.	2.1
<b>TOTAL – A. Sterling</b>		<b>9.9 hrs.</b>





July 23, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #11 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period July 9 to 22, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	12.3	\$965	\$11,869.50
J. Nevsky, Senior Director	29.8	\$765	22,797.00
A. Sterling, Analyst	40.3	\$350	14,105.00
	<u>82.4</u>		\$48,771.50
Add: HST @ 13%			6,340.30
<b>TOTAL INVOICE</b>			<u><u>\$55,111.80</u></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

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Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #11 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***  
**DETAILED NARRATIVE – July 9 to 22, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
July 9      Emails with Osler on timeline; read a lease amendment; internal emails on landlord/lease matters; review the draft affidavit for the upcoming Court hearing and internal emails related to same.	2.2
July 13      Internal discussion on claims process items; internal emails on cash flow reporting/updated and extended cash flow forecast; review the revised draft affidavit incorporating comments from Osler; read lease amendments; teleconference with Goodmans, Osler and US counsel on timeline for Canadian and US orders and related matters.	2.5
July 14      Review and revise the draft Fourth Report of the Monitor (“Fourth Report”) and internal emails regarding same; review the draft affidavit for a stay extension and emails with Osler on same; emails with legal counsel on timing matters.	2.7
July 15      Read a draft multi centre lease amendment; discussion with Goodmans; internal discussions regarding pivoting the Fourth Report for a stay extension; review the revised timeline; review aspects of the served motion materials; review and revise the draft Fourth Report and internal emails on same.	2.8
July 16      Review the revised draft Fourth Report incorporating comments from Osler; finalize the Fourth Report for service and emails with Osler regarding same.	1.0
July 20      Review the updated draft landlord/lease trackers and internal emails on same.	0.6
July 21      Prepare for and attend by videoconference the Court hearing for the stay extension; update discussion with Goodmans.	0.5
<b>TOTAL – A. Hutchens</b>	<b>12.3 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Jul 12      Review of Goodmans draft Court materials and Affidavit; drafting of Fourth Report; review of DIP Budget and updated Cash Flow Forecast and discussion with A. Sterling on same; review and comment on lease amendment agreement and related discussions with Osler.	6.0

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – July 9 to 22, 2021**

Jul 13	Further review of draft Court materials and Monitor noticing requirements; drafting of Fourth Report; preparation of initial claims packages and noticing information pursuant to Claims Process and Meeting Order and internal review and discussion on same; and teleconference with Goodmans, Osler and US counsel on timeline for Canadian and US orders and related matters.	5.5
Jul 14	Review of the revised Affidavit and related Court materials and discussion with Goodmans and Osler regarding same; review lease amendment agreements and internal correspondence on landlord claims schedules; continue drafting of Fourth Report.	5.8
Jul 15	Attend update call with Goodmans and Hilco; internal discussion regarding case matters; drafting of revised Fourth Report; review of lease amendment agreement.	6.4
Jul 16	Finalize Fourth Report with Osler and prepare for distribution to service list; internal discussion and review of initial claims packages and updated landlord claims schedules.	4.2
Jul 20	Review and comment on lease amendment agreement and discussion on same with Osler.	0.5
Jul 21	Review of master claims schedule and internal correspondence on same.	0.4
Jul 22	Attend update call with Goodmans and Hilco; internal discussion regarding case matters and next steps.	1.0
<b>TOTAL – J. Nevsky</b>		<b>29.8 hrs.</b>

<u><b>A. Sterling</b></u>	<u><b>Hrs.</b></u>	
July 9	Review a lease amendment and internal emails on landlord/lease matters.	0.8
July 12	Internal discussion on claims process items; drafting of Fourth Report and update cash flow results and extended cash flow forecast.	7.4
July 13	Internal discussions and emails regarding the Fourth Report; update Fourth Report; emails with Goodmans and Company regarding same and review the draft affidavit for a stay extension.	10.9



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – July 9 to 22, 2021**

July 14	Review a multi centre lease amendment; update landlord claims analysis; update Fourth Report and internal emails on same.	6.8
July 15	Read a draft multi centre lease amendment; internal discussions regarding pivoting the Fourth Report for a stay extension; update the draft Fourth Report and internal emails on same.	5.1
July 16	Coordinate upload of court documents to the Monitors website and review of landlord amendments.	0.4
July 19	Update draft landlord/lease tracker to incorporate various multi lease agreements and internal emails on same.	4.7
July 20	Coordinate upload of court documents to the Monitors website; update draft landlord/lease and internal emails on same.	2.5
July 22	Discussions with Goodmans and Company regarding the draft landlord/lease tracker and videoconference with Goodmans, Hilco and Company regarding progress with landlords.	1.7
<b>TOTAL – A. Sterling</b>		<b>40.3 hrs.</b>





**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

August 6, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #12 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period July 23 to August 5, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	11.6	\$965	\$11,194.00
J. Nevsky, Senior Director	21.9	\$765	16,753.50
A. Sterling, Analyst	58.9	\$350	20,615.00
	<u>92.4</u>		<u>\$48,562.50</u>
Add: Out of pocket expenses – case website charges			<u>25.00</u>
			<u>\$48,587.50</u>
Add: HST @ 13%			<u>6,316.38</u>
<b>TOTAL INVOICE</b>			<u><b>\$54,903.88</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #12 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – July 23 to August 5, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
July 26 Review the updated draft landlord claims analysis and related emails; review the revised draft Fifth Report of the Monitor (“Fifth Report”) incorporating comments from Osler and internal emails on same.	1.8
July 27 Review the revised draft affidavit for the claims procedure/meeting orders Court hearing; emails on claims analysis and timing matters.	1.3
July 28 Review the updated landlord claims analysis and related emails; review comments received on the draft Fifth Report and internal emails/emails with Osler regarding same; review a draft claims package and related emails.	1.7
July 29 Review iterations of the draft Fifth Report and internal emails/emails with Osler to finalize same for service; emails with Goodmans and Osler on the claims analysis, Court materials, timing and other matters; review a draft landlord omnibus agreement.	3.3
July 30 Review the draft Chapter 15 motions for recognition of the claims procedure order and the meeting order and emails with Young Conaway and Osler regarding same; read the supplemental affidavit; discussion with Goodmans.	1.5
Aug 3 Review aspects of the draft claims package and internal emails regarding same.	0.7
Aug 4 Internal emails/emails with Goodmans on the draft claims process and meeting materials.	1.0
Aug 5 Internal emails regarding the claims process.	0.3
<b>TOTAL – A. Hutchens</b>	<b>11.6 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
July 26 Review of comments received on the draft Fifth Report and discussion with Osler regarding same; internal correspondence on claims procedure packages and noticing requirements.	1.4
July 27 Correspondence with Osler to update the draft Fifth Report; initial review of draft Claims Procedure Form and internal discussion on same.	0.8



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – July 23 to August 5, 2021**

July 28	Review of comments received on the draft Fifth Report and internal correspondence on same.	0.5
July 29	Further review of the Fifth Report and prepare for finalizing.	0.2
July 30	Correspondence with Osler and Goodmans regarding landlord settlement agreement and updated Supporting Landlord amounts.	0.8
Aug 3	Review of draft Claims Procedure Forms, Meeting Notices and related noticing packages and discussions with Goodmans on same; internal correspondence on noticing requirements and related workstreams; attend planning call with Goodmans and Lumi regarding the Plan meeting and related preparations.	6.8
Aug 4	Prepare for and attend the Court hearing for the Claims Procedure Order and Meeting Order; review of draft Claims Procedure Forms and Meeting Notices and discussion with A. Sterling on same; correspondence with Goodmans regarding noticing packages and related process.	5.2
Aug 5	Final review of Claims Procedure Forms and Meeting Notices; assist in preparing and delivering final noticing packages for distribution to landlords; correspondence with Goodmans and Osler on noticing process.	6.2
<b>TOTAL – J. Nevsky</b>		<b>21.9 hrs.</b>

<u><b>A. Sterling</b></u>	<u><b>Hrs.</b></u>	
July 23	Update landlord claims analysis and internal discussions on same.	2.5
July 25	Update landlord claims analysis; update cash flow and internal discussions on same.	2.8
July 26	Updated aspects of the draft Fifth Report; update cash flow forecast and discussions with Goodmans on same.	2.1
July 27	Updates and revisions to the draft Fifth Report and discussions and emails with Goodmans and Osler on same.	5.3
July 28	Updates and revisions to the draft Fifth Report and discussions with Goodmans and Osler on same; internal discussions regarding Meeting Order and Claim Procedure Order.	7.8

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – July 23 to August 5, 2021**

July 29	Discussions and emails with Goodmans and Osler on the Fifth Report, meeting Order and Claim Procedure Order; coordinate uploading of Court documents to the case website.	6.1
July 30	Review finalized Fifth Report; review a multi-centre lease amendment; update landlord claims analysis and coordinate upload of Court documents to the case website.	5.8
Aug 2	Draft Claims Packages and internal discussions on same.	5.9
Aug 3	Draft Information Packages; discussions with Goodmans on same; update Claims Packages and internal discussions on same.	3.6
Aug 4	Finalize Claims Packages and Information Packages; discussions with Goodmans on same; draft emails to Affected Landlord Creditors.	10.9
Aug 5	Discussions with Goodmans regarding creditor list, Claim Packages, and Information Packages; update of creditor materials and distribution of claims packages.	6.1
<b>TOTAL – A. Sterling</b>		<b>58.9 hrs.</b>



**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

August 20, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #13 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period August 6 to 19, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	6.7	\$965	\$6,465.50
J. Nevsky, Senior Director	6.6	\$765	5,049.00
A. Sterling, Analyst	8.3	\$350	2,905.00
	<u>21.6</u>		\$14,419.50
Add: HST @ 13%			1,874.54
<b>TOTAL INVOICE</b>			<u><b>\$16,294.04</b></u>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #13 (828837)  
HST#: 83158 2127 RT0001

***Yatsen Group of Companies Inc.***  
**DETAILED NARRATIVE – August 6 to 19, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Aug 9 Internal discussion and emails/emails with Osler on Plan meeting matters.	0.8
Aug 10 Internal emails on claims matters.	0.3
Aug 12 Internal emails on claims matters; review iterations of the draft chairman's script for the creditors' meeting; review Court timelines.	1.5
Aug 16 Internal emails/emails with Osler on claims/proxies and other matters; review draft disclaimer notices and related emails.	0.8
Aug 17 Emails with Osler to finalize disclaimer notices; internal emails/emails with Osler and Goodmans on claims/proxies and other matters.	1.3
Aug 18 Teleconference with Goodmans on a lease matter; review the draft Plan sanction order.	1.2
Aug 19 Further review aspects of the draft Plan sanction order; internal emails on work related to the sanction order and claims/proxies.	0.8
<b>TOTAL – A. Hutchens</b>	<b>6.7 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Aug 6 Internal discussion regarding noticing requirements and email inquiries received from landlords; discussion with Goodmans regarding claims package emails.	1.5
Aug 9 Correspondence with Goodmans and Osler regarding noticing emails and scheduling items related to the creditors' meeting.	0.5
Aug 11 Review of a Notice of Dispute received and correspondence with Goodmans on same.	1.2
Aug 13 Correspondence with Osler in connection with the creditors' meeting.	0.5
Aug 16 Correspondence with Osler and Goodmans regarding the claims process and proxies; review of draft disclaimer notices and internal discussion on same.	0.6
Aug 17 Review of disclaimer notices and revised claims packages and internal discussion on same.	1.0

***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – August 6 to 19, 2021**

Aug 18	Review of draft Plan sanction order.	0.8
Aug 19	Internal correspondence regarding the draft Plan sanction order and related matters.	0.5
<b>TOTAL – J. Nevsky</b>		<b>6.6 hrs.</b>

**A. Sterling**

**Hrs.**

Aug 9	Update cash flow and internal discussion regarding noticing requirements and email inquiries received from landlords.	1.4
Aug 11	Respond to inquiries sent to the Monitor email address and internal discussions on same.	0.6
Aug 16	Update landlord claims analysis; review of draft disclaimer notices and internal discussion on same.	2.6
Aug 17	Review disclaimer notices and revise claims packages and internal discussion on same.	2.1
Aug 19	Internal correspondence regarding the draft Plan sanction order and update related materials.	1.6
<b>TOTAL – A. Sterling</b>		<b>8.3 hrs.</b>





**Alvarez & Marsal Canada Inc.**  
**Licensed Insolvency Trustees**  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900, P.O. Box 22  
Toronto, ON M5J 2J1  
Phone: +1 416 847 5200  
Fax: +1 416 847 5201

September 3, 2021

Yatsen Group of Companies Inc.  
7650 Birchmount Road  
Markham, ON  
L3R 6B9

Attention: Mr. Tony Chiu

**RE: YATSEN GROUP OF COMPANIES INC.**  
**INVOICE #14 – (828837)**

For professional services rendered in connection with our appointment as Monitor pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) dated January 25, 2021, for the period August 20 to September 2, 2021.

**BILLING SUMMARY**

	<u>Hours</u>	<u>Rate</u>	<u>Total</u>
A. Hutchens, Managing Director	11.9	\$965	\$11,483.50
J. Nevsky, Senior Director	27.0	\$765	20,655.00
A. Sterling, Analyst	27.8	\$350	9,730.00
	<u>66.7</u>		\$41,868.50
Add: HST @ 13%			5,442.91
<b>TOTAL INVOICE</b>			<b><u>\$47,311.41</u></b>

**Mailing Instructions:**

Alvarez & Marsal Canada ULC  
Att: Audrey Singels-Ludvik  
Royal Bank Plaza, South Tower  
200 Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J 2J1

**Wiring Instructions:**

Bank: TD Canada Trust  
Account Name: Alvarez & Marsal Canada ULC  
Swiftcode: TDOMCATTTOR  
Bank Address: 55 King Street West  
Toronto, ON  
Bank Transit #: 10202  
Institution #: 0004  
Account #: **5519970**  
Reference #: Yatsen Group - Inv #14 (828837)  
HST#: 83158 2127 RT0001



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – August 20 to September 2, 2021**

<b><u>A. Hutchens</u></b>	<b><u>Hrs.</u></b>
Aug 20 Internal emails/emails with Goodmans on claims matters; read the most recent orders granted by the US Court in the Chapter 15 case.	0.5
Aug 24 Internal emails/emails with Goodmans and Osler on disclaimer notices.	0.3
Aug 25 Review the draft Plan Sanction Order; emails with Osler on a disclaimer notice; review the draft motion to recognize the Sanction Order in the Chapter 15 case.	1.6
Aug 30 Emails with Goodmans and Osler on a draft email to landlords regarding an administrative Plan amendment; review revised drafts of the Plan Sanction Order and motion to recognize same in the Chapter 15 case; review the updated draft fee affidavit and emails with Osler on same.	2.0
Aug 31 Internal emails/emails with Osler on matters related to the motion materials for the next Court hearing; review the updated and extended cash flow forecast and internal discussion on same; review and revise the draft Sixth Report of the Monitor (“Sixth Report”) and internal emails on same; internal emails on claims/proxies matters; review iterations of the revised draft motion for the Chapter 15 case and related emails with Young Conaway and Osler; internal emails on sequencing of Court motions and Plan implementation steps.	4.2
Sep 1 Internal status discussion; emails amongst legal counsel on the draft motion materials for the Chapter 15 case and review the revised draft; internal emails on claims matters.	1.5
Sep 2 Internal emails/emails with Goodmans on claims matters; review the revised draft chairman’s script for the creditors’ meeting and emails with Osler regarding same.	1.8
<b>TOTAL – A. Hutchens</b>	<b>11.9 hrs.</b>

<b><u>J. Nevsky</u></b>	<b><u>Hrs.</u></b>
Aug 23 Review the updated claims tracker and proxy forms received, correspondence with Goodmans on same.	0.6
Aug 24 Review the draft Sanction Order and discussion with Osler on same; internal discussion regarding the claims tracker and claims process.	1.2



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – August 20 to September 2, 2021**

Aug 25	Discussion with Goodmans regarding a lease to be disclaimed and review of disclaimer notice; internal discussion regarding revised disclaimer notice.	1.2
Aug 27	Internal discussion regarding the claims process and review of the claims tracker; review the draft Affidavit in support of the Sanction Order.	2.5
Aug 30	Further review the draft Affidavit and correspond with Osler on same; prepare the draft Sixth Report; review the revised draft cash flow forecast; internal correspondence on the claims tracker.	8.5
Aug 31	Prepare the draft Sixth Report; review revised cash flow forecast and internal discussion on same; discussion with Goodmans on revised cash flow and claims process matters; discussion with Osler and Young Conway regarding the materials required for Chapter 15 case.	6.2
Sep 1	Review of Notices of Dispute and Proxies received and internal discussion on same; review the updated claims tracker and internal correspondence on same.	2.3
Sep 2	Revise the Sixth Report and internal correspondence on same; review and discussion of Notices of Dispute and drafting of summary email regarding same.	4.5
<b>TOTAL – J. Nevsky</b>		<b>27.0 hrs.</b>

**A. Sterling**

**Hrs.**

Aug 23	Respond to inquiries sent to the Monitor's email account; revise claims packages and distribute to landlords and internal discussions on same.	3.2
Aug 25	Prepare revised claims packages; update landlord claims analysis and internal discussions on same.	4.1
Aug 27	Respond to inquiries sent to the Monitor's email account; revise claims packages and distribute to landlords and internal discussions on same.	1.2
Aug 30	Prepare aspects of the draft Sixth Report; update cash flow forecast; update and internal correspondence on landlord claims analysis.	3.4
Aug 31	Revised aspects of the draft Sixth Report; update cash flow forecast and internal discussion on same; discussion with Goodmans on revised cash flow and claims process items; prepare the draft fee affidavit.	6.1



***Yatsen Group of Companies Inc.***

**DETAILED NARRATIVE – August 20 to September 2, 2021**

Sep 1	Review of Notices of Dispute and Proxies received and internal discussion on same; update landlord claims analysis and internal correspondence on same.	2.7
Sep 2	Review and discussion of Notices of Dispute received and preparing analysis for management review; draft summary email regarding disputed amounts; review of Proxies received; update claims packages for changes in property ownership and discussions with Goodmans regarding same.	7.1
<b>TOTAL – A. Sterling</b>		<b>27.8 hrs.</b>

**THIS IS EXHIBIT “2”  
TO THE AFFIDAVIT OF ALAN J. HUTCHENS  
SWORN BEFORE ME THIS 9<sup>th</sup> DAY OF SEPTEMBER, 2021**

*Tiffany Sun*

---

Commissioner for Taking Affidavits

Miao Sun, a Commissioner, etc.,  
Province of Ontario, while a  
Student-at-Law.  
Expires March 6, 2023.

**EXHIBIT "2"**  
**ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED MONITOR OF**  
**YATSEN GROUP OF COMPANIES INC., ET AL**  
**(January 23, 2021 to September 2, 2021)**

<b>Staff Member</b>	<b>Title</b>	<b>Total Hours</b>	<b>Rate (\$CAD)</b>	<b>Amount Invoiced (\$CAD)</b>
Alan Hutchens	Managing Director	132.4	965.00	127,766.00
Josh Nevsky	Senior Director	178.9	765.00	136,858.50
Andrew Sterling	Analyst	254.7	350.00	89,145.00
<b>Total Fees (excl. Disbursements and HST)</b>		<b>566.0</b>	<b>Avg Rate \$625.03</b>	<b>\$353,769.50</b>

## **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.

**APPENDIX E**  
**AFFIDAVIT OF DAVID ROSENBLAT**

See attached.



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"

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AFFIDAVIT OF DAVID ROSENBLAT  
SWORN SEPTEMBER 10, 2021

---

I, David Rosenblat, of the City of Toronto, Province of Ontario, MAKE OATH  
AND SAY:

1. I am an Associate in the law firm of Osler, Hoskin & Harcourt LLP ("**Osler**"), counsel to Alvarez & Marsal Canada Inc. ("**A&M**") in its capacity as Court appointed Monitor (the "**Monitor**") pursuant to the Initial Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") granted on January 25, 2021 (as amended and restated, the "**Initial Order**"). I am one of the associates responsible for the services rendered to the Monitor discussed herein. Accordingly, I have knowledge of matters hereinafter deposed.
2. Attached hereto collectively as **Exhibit "1"** are copies of the Statements of Account of Osler in respect of services rendered to A&M in respect of the within proceedings for the period from January 21, 2021 to September 8, 2021. During the period from January 21, 2021 to September 8, 2021 (the "**Billing Period**"), the total fees billed by Osler were

\$198,901.50, plus disbursements of \$846.77 and applicable taxes of \$25,678.71, for an aggregate amount of \$223,206.98. As set out in the following table, 250.4 hours were incurred by Osler personnel during the Billing Period, resulting in an average hourly rate of \$794.34 (exclusive of applicable taxes):

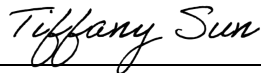
<b>Timekeepers</b>	<b>Total Hours</b>	<b>Total Fees</b>	<b>Average Rate</b>
Dacks, Jeremy	0.6	\$ 594.00	\$ 990.00
Disenhouse, Joshua	1.0	\$ 666.00	\$ 666.00
Kanji, Justin	40.5	\$ 22,072.50	\$ 545.00
Kljakic, Tamara	1.5	\$ 375.00	\$ 250.00
MacEachern, Kevin	3.5	\$ 735.00	\$ 210.00
Morassutti, Paul	8.6	\$ 8,858.00	\$ 1,030.00
Nauth, Reba	1.1	\$ 330.00	\$ 300.00
Rosenblat, David	103.3	\$ 76,041.00	\$ 736.12
Sandler, Tracy	79.0	\$ 86,250.00	\$ 1,091.77
Sun, Tiffany	2.1	\$ 630.00	\$ 300.00
Varlokostas, Sotiri	8.0	\$ 2,350.00	\$ 293.75
<b>Grand Total</b>	<b>250.4</b>	<b>\$ 198,901.50</b>	<b>\$ 794.34</b>

3. The activities detailed in the statements of account attached as Exhibit “1” accurately reflect the services provided by Osler and the rates charged are the standard hourly rates of those individuals at the firm at the time they were incurred.
4. Osler’s fees and disbursements for its remaining activities in this proceeding will be calculated and billed at Osler’s standard rates. Barring unforeseen circumstances, I estimate that those fees and disbursements will not exceed \$75,000.
5. To the best of my knowledge, Osler’s rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by Osler are comparable to the rates charged by Osler for services rendered in similar proceedings. Osler has had its rates and disbursements, including the rates of various professionals who

provided services in these proceedings, approved by this Court in respect of similar services provided in a number of insolvency and restructuring files.

6. This Affidavit is sworn in connection with a motion to have the Monitor's fees and disbursements in connection with these proceedings, and those of its legal counsel, approved by this Court and for no improper purpose.

**SWORN BEFORE ME** over  
videoconference on this 10<sup>th</sup> day of  
September, 2021. The affiant was located in  
the City of Toronto, in the Province of  
Ontario and the Commissioner was located  
in the City of Toronto, Province of Ontario.  
This affidavit was commissioned remotely  
as a result of COVID-19.



\_\_\_\_\_  
**Commissioner for taking affidavits, etc.**

Miao Sun, a Commissioner,  
etc., Province of Ontario,  
while a Student-at-Law.  
Expires March 6, 2023.



\_\_\_\_\_  
**DAVID ROSENBLAT**

THIS IS EXHIBIT “1” REFERRED TO IN THE  
AFFIDAVIT OF DAVID ROSENBLAT  
SWORN BEFORE ME THIS 10<sup>th</sup> DAY OF SEPTEMBER 2021.

*Tiffany Sun*

---

A Commissioner for taking Affidavits, etc.

Miao Sun, a Commissioner,  
etc., Province of Ontario,  
while a Student-at-Law.  
Expires March 6, 2023.

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12476908**  
Date: **January 29, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: [TSandler@osler.com](mailto:TSandler@osler.com)

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	27,452.50
ADJUSTED	-2,220.00
REIMBURSABLE EXPENSES	666.57
HST @ 13%	3,366.88
<b>TOTAL (CAD):</b>	<b>29,265.95</b>

**PAYMENT DUE UPON RECEIPT**



*We are committed to protecting the environment. Please provide your email address to [payments@osler.com](mailto:payments@osler.com) to receive invoices and reminder statements electronically.*



**REMITTANCE ADVICE**

Canadian Dollar EFT and Wire Payments:

TD Canada Trust  
751 3rd Street S.W.  
Calgary, Alberta T2P 4K8  
Transit No: 80629-0004  
Account No: 5219313  
SWIFT Code: TDOMCATTTOR

Cheque Payments:

Osler, Hoskin & Harcourt LLP  
FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12476908**  
Client No.: 223017  
  
Amount: 29,265.95 CAD

**Email payment details to [payments@osler.com](mailto:payments@osler.com),  
referencing invoice number(s) being paid.**

**Please return remittance advice(s) with  
cheque.**

osler.com

## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	10.70	1,150	12,305.00
Tracy C. Sandler	4.00	0	0.00
<u>ASSOCIATE</u>			
Joshua Disenhouse	0.90	740	666.00
Joshua Disenhouse	0.10	0	0.00
Justin Kanji	5.00	545	2,725.00
David Rosenblat	12.10	765	9,256.50
David Rosenblat	3.90	0	0.00
Sotiri Varlokostas	4.70	500	2,350.00
Sotiri Varlokostas	3.30	0	0.00
<u>PARAPROFESSIONAL</u>			
Elizabeth E. Buchanan	0.40	0	0.00
<u>STUDENT</u>			
Reba Nauth	0.50	300	150.00
<b>TOTAL FEES (CAD):</b>	<b>45.60</b>		<b>27,452.50</b>
ADJUSTED			-2,220.00
<b>NET FEES (CAD):</b>			<b>25,232.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jan-21-21	Sotiri Varlokostas	Reviewing lease disclaimer notices.	0.80
Jan-22-21	Elizabeth E. Buchanan	Receiving instructions from J. Kanji; reviewing corporate microfiche and revising corporate history respecting Yatsen Group of Companies Inc., including predecessor corporations, and reporting thereon.	0.40
Jan-22-21	Joshua Disenhouse	Email correspondence with S. Varlokostas regarding execution package of disclaimer notices.	0.10
Jan-22-21	David Rosenblat	Reviewing Chapter 15 materials and engaged in correspondence regarding same; reviewing revised DIP agreement; attending calls with T. Sandler regarding outstanding filing issues; attending to disclaimers and related issues; reviewing correspondence; responding to emails; reviewing revised affidavit; attending call with Goodmans; attending to pre-filing report.	3.90
Jan-22-21	Tracy C. Sandler	Reviewing email correspondence; engaged in telephone discussions; engaged with respect to draft materials.	4.00

Jan-22-21	Sotiri Varlokostas	Preparing execution package; reviewing disclaimer notices.	2.50
Jan-23-21	Justin Kanji	Review of DIP Agreement and sending comments to D. Rosenblat.	1.00
Jan-23-21	David Rosenblat	Reviewing and commenting on Chapter 15 materials; reviewing and considering further revisions thereto; attending to pre-filing report; reviewing correspondence; responding to emails.	3.10
Jan-23-21	Tracy C. Sandler	Engaged regarding various Canadian and U.S. filing documentation; engaged reviewing and responding to emails; telephone call with J. Latham.	3.00
Jan-24-21	Justin Kanji	Drafting legal opinion; reviewing search results; finalizing pre-filing report.	4.00
Jan-24-21	Reba Nauth	Finalizing pre-filing report.	0.50
Jan-24-21	David Rosenblat	Reviewing revised affidavit; revising pre-filing report and attending to finalization of same; reviewing correspondence; responding to emails; attending to Chapter 15 materials; preparing draft submissions for initial order application.	2.50
Jan-24-21	Tracy C. Sandler	Engaged reviewing comments to report; engaged reviewing comments from U.S. counsel and Goodmans regarding Chapter 15 materials; reviewing and responding to emails; engaged with respect to final comments regarding affidavit; telephone call with J. Latham; telephone call with J. Feldsher.	3.50
Jan-25-21	David Rosenblat	Preparing for and attending motion for initial order; reviewing correspondence; responding to email; attending to Chapter 15 matters.	1.40
Jan-25-21	Tracy C. Sandler	Attending court hearing; telephone call with Young Conoway regarding next steps; receipt of Monitor confirmation regarding disclaimers to proceed; further engaged with Young Conoway.	1.60
Jan-26-21	Joshua Disenhouse	Reviewing storage lease disclaimer agreements; reviewing and revising draft disclaimer memorandum to the Monitor; telephone calls with S. Varlokostas regarding storage space disclaimer notices and revised disclaimer memorandum.	0.90
Jan-26-21	David Rosenblat	Attending to security review; attending to additional disclaimers; reviewing correspondence; responding to emails.	1.30
Jan-26-21	Tracy C. Sandler	Engaged with M. Lunn; engaged with respect to security review letter; responding to emails.	0.50

Jan-26-21	Sotiri Varlokostas	Revising disclaimer memorandum; reviewing disclaimer notices; reviewing storage unit leases; speaking to J. Disenhouse with respect to disclaimer notices and disclaimer memorandum; preparing disclaimer notices for execution.	2.90
Jan-27-21	David Rosenblat	Discussing outstanding issues with T. Sandler; attending to security opinion and related reporting letter; reviewing and commenting on draft applicant materials; preparing mark-up of affidavit; engaged in correspondence with client regarding same; compiling landlord claim structuring information for U.S counsel; reviewing correspondence; responding to emails.	2.00
Jan-27-21	Tracy C. Sandler	Attending U.S. court hearing; telephone call with M. Lunn; engaged with A&M regarding report for ten day hearing; reviewing revised order and affidavit for comeback hearing and commenting on same; engaged in email correspondence regarding same.	1.50
Jan-27-21	Sotiri Varlokostas	Performing real estate due diligence.	1.80
Jan-28-21	David Rosenblat	Reviewing draft first report; preparing comments thereon; discussing same with T. Sandler; revising same per additional comments thereon; reviewing correspondence; responding to emails.	1.80
Jan-28-21	Tracy C. Sandler	Engaged reviewing draft report; receipt of update emails regarding disclaimers and funding of rent reserve.	0.60

<b>TOTAL HOURS:</b>	<b>45.60</b>
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#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Agent's Fees & Expenses	118.00
OnCorp Fees for Searches/Certificates/Filings	548.57
<b>TOTAL (CAD):</b>	<b>666.57</b>



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1 First Canadian Place  
PO BOX 50  
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Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12484676**  
Date: **February 5, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	12,465.50
REIMBURSABLE EXPENSES	6.60
HST @ 13%	1,621.38
<b>TOTAL (CAD):</b>	<b>14,093.48</b>

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PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12484676**  
Client No.: 223017  
  
Amount: 14,093.48 CAD

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	4.50	1,150	5,175.00
<u>ASSOCIATE</u>			
Justin Kanji	6.40	545	3,488.00
David Rosenblat	4.50	765	3,442.50
<u>PARAPROFESSIONAL</u>			
Kevin MacEachern	1.00	210	210.00
<u>STUDENT</u>			
Reba Nauth	0.50	300	150.00
<b>TOTAL FEES (CAD):</b>	<b>16.90</b>		<b>12,465.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jan-29-21	Justin Kanji	Updating final version of first report, and compiling, proofreading and arranging for filing with court clerk; updating legal opinion following comments received from D. Rosenblat; reviewing data room documents [REDACTED] and reporting on same.	3.10
Jan-29-21	Kevin MacEachern	Attending to Sync.com online portal; uploading first report of the Monitor in advance of pending hearing.	0.50
Jan-29-21	David Rosenblat	Reviewing comments on first report of Monitor; reviewing, revising and finalizing same; serving same; attending to US claim issue; reviewing correspondence; responding to emails; attending to security review and preparing opinion with respect to same.	2.40
Jan-29-21	Tracy C. Sandler	Engaged with J. Latham; reviewing and commenting on Monitor's report; reviewing Goodmans' comments; engaged with M. Lunn; reviewing corporate instructions.	2.00
Feb-01-21	Justin Kanji	Reviewing complaints uploaded to data room; reviewing storage agreements and reporting on same to D. Rosenblat.	1.10
Feb-01-21	Justin Kanji	Drafting affidavit of service and coordinating commissioning of same; liaising with court clerk for filing.	1.30
Feb-01-21	Kevin MacEachern	Attending to Commercial Court online portal; filing first report of the Monitor.	0.50

Feb-01-21	Reba Nauth	Commissioning affidavit of service and attending to formatting.	0.50
Feb-01-21	David Rosenblat	Reviewing correspondence; responding to emails; swearing affidavit of service; attending to filing matters.	0.60
Feb-01-21	Tracy C. Sandler	Engaged with J. Latham; reviewing letter to landlord from Company regarding claim; engaged with M. Lunn.	0.50
Feb-02-21	Justin Kanji	Providing updates on data room uploads; reviewing litigation materials and storage agreements.	0.60
Feb-02-21	David Rosenblat	Preparing for and attending motion for amended and restated initial order; reviewing correspondence; responding to emails; engaged in revisions to initial order [REDACTED] reviewing data room uploads.	1.30
Feb-02-21	Tracy C. Sandler	Preparing for court hearing; engaged reviewing [REDACTED] language for order; engaged on telephone calls regarding same with Goodmans and US counsel.	1.50
Feb-03-21	Tracy C. Sandler	Telephone call with J. Latham regarding settlement with particular landlord and possible approach.	0.50
Feb-04-21	Justin Kanji	Providing data room updates to D. Rosenblat.	0.30
Feb-04-21	David Rosenblat	Reviewing correspondence; responding to emails; reviewing data room uploads.	0.20
<b>TOTAL HOURS:</b>			<b>16.90</b>

#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	6.60
<b>TOTAL (CAD):</b>	<b>6.60</b>

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Toronto ON M5X 1B8  
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200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12485394**  
Date: **February 12, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	4,158.00
HST @ 13%	540.54
<b>TOTAL (CAD):</b>	<b>4,698.54</b>

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PO BOX 50  
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Invoice No.: **12485394**  
Client No.: 223017  
  
Amount: 4,698.54 CAD

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Jeremy E. Dacks	0.60	990	594.00
Tracy C. Sandler	0.80	1,150	920.00
<u>ASSOCIATE</u>			
Justin Kanji	0.50	545	272.50
David Rosenblat	3.10	765	2,371.50
<b>TOTAL FEES (CAD):</b>	<b>5.00</b>		<b>4,158.00</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Feb-05-21	David Rosenblat	Reviewing data room uploads; reviewing correspondence.	0.20
Feb-08-21	Jeremy E. Dacks	Reviewing correspondence from T. Sandler regarding lease settlement and litigation issues; participating in discussions with T. Sandler regarding same.	0.40
Feb-08-21	David Rosenblat	Reviewing revised form of opinion; revising same and finalizing initial draft; corresponding with J. Kanji regarding same; revising and finalizing initial draft of reporting letter regarding opinion; reviewing correspondence; responding to emails; reviewing data room upload information.	2.30
Feb-08-21	Tracy C. Sandler	Engaged with J. Nevsky and A. Hutchens; engaged with L. Rogers.	0.30
Feb-09-21	Jeremy E. Dacks	Reviewing and drafting correspondence regarding litigation issues.	0.20
Feb-09-21	Justin Kanji	Updating search results in accordance with updated security opinion; sending same to T. Sandler for review; reviewing updated draft of security opinion.	0.50
Feb-09-21	David Rosenblat	Reviewing correspondence; reviewing data room upload information; considering landlord settlement and related issues.	0.40
Feb-09-21	Tracy C. Sandler	Engaged with A&M and Goodmans regarding leaseco.	0.50
Feb-11-21	David Rosenblat	Reviewing correspondence [REDACTED]; considering related matters.	0.20
<b>TOTAL HOURS:</b>			<b>5.00</b>

EXPENSE SUMMARY

DESCRIPTION	AMOUNT
TOTAL (CAD):	0.00

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
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Toronto ON M5X 1B8  
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200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12492780**  
Date: **March 5, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	5,465.50
HST @ 13%	710.52
<b>TOTAL (CAD):</b>	<b>6,176.02</b>

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Invoice No.: **12492780**  
Client No.: 223017  
  
Amount: 6,176.02 CAD

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# FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	1.40	1,150	1,610.00
<u>ASSOCIATE</u>			
Justin Kanji	1.60	545	872.00
David Rosenblat	3.90	765	2,983.50
<b>TOTAL FEES (CAD):</b>	<b>6.90</b>		<b>5,465.50</b>

# FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Feb-11-21	Tracy C. Sandler	Engaged with respect to email from E. Cobb, counsel to landlord for SAR Dulles Expo Center.	0.20
Feb-12-21	David Rosenblat	Reviewing correspondence.	0.10
Feb-16-21	Justin Kanji	Reading and writing emails; finalizing legal opinion.	1.00
Feb-16-21	David Rosenblat	Reviewing comments on security opinion; revising same; reviewing comments on reporting letter; considering related issues; revising same; reviewing correspondence; responding to emails.	1.90
Feb-16-21	Tracy C. Sandler	Engaged on call with J. Latham and E. Cobb, counsel to Dulles Town Center landlord; updating Monitor.	0.50
Feb-17-21	Tracy C. Sandler	Engaged with E. Cobb regarding Dulles Town Center.	0.20
Feb-19-21	Justin Kanji	Updating D. Rosenblat on data room uploads.	0.30
Feb-19-21	David Rosenblat	Reviewing data room upload information.	0.10
Feb-22-21	David Rosenblat	Reviewing and commenting on Chapter 15 memorandum of law; reviewing correspondence; responding to emails.	1.30
Feb-23-21	David Rosenblat	Reviewing correspondence.	0.20
Feb-23-21	Tracy C. Sandler	Engaged regarding update from Delaware counsel; engaged with A&M regarding next steps.	0.50
Feb-24-21	Justin Kanji	Updating D. Rosenblat on new data room uploads.	0.30
Feb-24-21	David Rosenblat	Reviewing correspondence; reviewing data room upload information.	0.30
<b>TOTAL HOURS:</b>			<b>6.90</b>



EXPENSE SUMMARY

DESCRIPTION	AMOUNT
TOTAL (CAD):	0.00

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South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12494494**  
Date: **March 26, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	8,493.50
REIMBURSABLE EXPENSES	49.65
HST @ 13%	1,110.61
<b>TOTAL (CAD):</b>	<b>9,653.76</b>

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Invoice No.: **12494494**  
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Amount: 9,653.76 CAD

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	4.10	1,150	4,715.00
<u>ASSOCIATE</u>			
David Rosenblat	4.90	765	3,748.50
<u>STUDENT</u>			
Reba Nauth	0.10	300	30.00
<b>TOTAL FEES (CAD):</b>	<b>9.10</b>		<b>8,493.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Mar-08-21	Tracy C. Sandler	Email from M. Lunn regarding status of landlord negotiations.	0.10
Mar-10-21	Tracy C. Sandler	Receipt of update email from J. Latham [REDACTED].	0.10
Mar-15-21	David Rosenblat	Reviewing correspondence.	0.10
Mar-15-21	Tracy C. Sandler	Engaged reviewing update email from J. Latham [REDACTED] [REDACTED]	0.50
Mar-16-21	David Rosenblat	Reviewing correspondence regarding landlord settlement.	0.20
Mar-16-21	Tracy C. Sandler	[REDACTED]; telephone call with Company counsel; reviewing Company counsel response to Monitor questions.	1.20
Mar-18-21	David Rosenblat	Reviewing correspondence regarding landlord settlement, stay extension and related matters; attending call with T. Sandler and J. Kanji regarding status of landlord discussions and call regarding same.	0.40
Mar-18-21	Tracy C. Sandler	Engaged with respect to updates regarding Hilco process; engaged with counsel.	1.00
Mar-19-21	David Rosenblat	Attending call with T. Sandler regarding stay extension and settlement materials; reviewing and commenting on drafts of same; reviewing and commenting on draft Monitor's report; reviewing correspondence; responding to emails.	2.10
Mar-21-21	David Rosenblat	Reviewing correspondence; responding to emails; revising Monitor's report; considering matters relating to settlement with landlord.	0.50

Mar-21-21	Tracy C. Sandler	Engaged reviewing Monitor report and draft Yatsen motion materials; reviewing emails regarding Monitor report additions; engaged with respect to additions for court order; reviewing amendment.	1.20
Mar-22-21	Reba Nauth	Commissioning affidavit for J. Kanji.	0.10
Mar-22-21	David Rosenblat	Reviewing comments on Monitor's report; revising and finalizing same; reviewing correspondence; responding to emails; attending to motion matters and filings; reviewing final Yatsen motion materials.	1.60
<b>TOTAL HOURS:</b>			<b>9.10</b>

#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	49.65
<b>TOTAL (CAD):</b>	<b>49.65</b>

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Invoice No.: **12495493**  
Date: **March 31, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	1,741.50
HST @ 13%	226.40
<b>TOTAL (CAD):</b>	<b>1,967.90</b>

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FINANCE & ACCOUNTING  
(RECEIPTS)  
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PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12495493**  
Client No.: 223017  
  
Amount: 1,967.90 CAD

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	0.60	1,150	690.00
<u>ASSOCIATE</u>			
David Rosenblat	1.10	765	841.50
<u>PARAPROFESSIONAL</u>			
Kevin MacEachern	1.00	210	210.00
<b>TOTAL FEES (CAD):</b>	<b>2.70</b>		<b>1,741.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Mar-22-21	Kevin MacEachern	Attending to Commercial Court online portal; submitting second report of the Monitor; attending to Sync.com online portal; uploading second report of the Monitor to hearing space.	1.00
Mar-26-21	David Rosenblat	Reviewing correspondence.	0.10
Mar-29-21	David Rosenblat	Preparing for and attending motion; reviewing correspondence; responding to email.	0.90
Mar-29-21	Tracy C. Sandler	Attending court hearing; engaged with Monitor and Company counsel.	0.60
Mar-30-21	David Rosenblat	Reviewing correspondence regarding recognition matters.	0.10
<b>TOTAL HOURS:</b>			<b>2.70</b>

## EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<b>TOTAL (CAD):</b>	<b>0.00</b>

OSLER, HOSKIN & HARCOURT LLP  
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200 Bay Street, Suite 2900  
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Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12504960**  
Date: **May 31, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	17,918.00
HST @ 13%	2,329.34
<b>TOTAL (CAD):</b>	<b>20,247.34</b>

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Invoice No.: **12504960**  
Client No.: 223017  
  
Amount: 20,247.34 CAD

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Paul J. Morassutti	0.60	1,030	618.00
Tracy C. Sandler	6.20	1,150	7,130.00
<u>ASSOCIATE</u>			
Justin Kanji	4.80	545	2,616.00
David Rosenblat	9.60	765	7,344.00
<u>PARAPROFESSIONAL</u>			
Kevin MacEachern	1.00	210	210.00
<b>TOTAL FEES (CAD):</b>	<b>22.20</b>		<b>17,918.00</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Apr-19-21	David Rosenblat	Reviewing correspondence regarding [REDACTED] settlement matters.	0.10
Apr-19-21	Tracy C. Sandler	Engaged reviewing Hilco material; email from and to M. Lunn.	0.20
Apr-21-21	David Rosenblat	Reviewing lease deal summary; reviewing correspondence; responding to emails.	0.10
Apr-22-21	David Rosenblat	Reviewing correspondence.	0.10
Apr-23-21	Justin Kanji	Reviewing Order for filing/service requirements; drafting Monitor's Certificate; engaged regarding Commercial Court filing.	1.00
Apr-23-21	Kevin MacEachern	Attending to Commercial Court online portal; submitting Monitor's Certificate.	0.50
Apr-23-21	David Rosenblat	Attending to Yorktown Monitor's Certificate; reviewing correspondence; responding to email.	0.20
Apr-23-21	Tracy C. Sandler	Engaged regarding Yorktown Monitor's Certificate.	0.20
Apr-26-21	Justin Kanji	Reviewing correspondence; reviewing data room materials and sending relevant agreements to P. Morassutti.	0.30
Apr-26-21	Kevin MacEachern	Communicating with Commercial Court; securing court stamped version of Monitor's Certificate.	0.50
Apr-26-21	Paul J. Morassutti	Reviewing proposed lease amendment and Lease; conference with D. Rosenblat regarding same.	0.60



Apr-26-21	David Rosenblat	Reviewing correspondence; responding to email; reviewing lease amendment.	0.30
Apr-26-21	Tracy C. Sandler	Engaged reviewing update email.	0.10
Apr-27-21	David Rosenblat	Attending to amendment of lease; engaged in correspondence regarding same.	0.30
Apr-28-21	Tracy C. Sandler	Engaged reviewing cash position summary.	0.10
Apr-30-21	David Rosenblat	Reviewing correspondence; preparing for and attending call regarding claims procedure.	0.80
Apr-30-21	Tracy C. Sandler	Engaged on call regarding claims process.	0.90
May-05-21	Justin Kanji	Reviewing disclaimers against lease provisions; sending comments to Goodmans; executing same on behalf of A&M and circulating to wider group.	1.00
May-05-21	David Rosenblat	Reviewing correspondence; responding to emails; attending to disclaimers.	0.40
May-05-21	Tracy C. Sandler	Engaged regarding disallowances and claims process.	1.00
May-11-21	Tracy C. Sandler	Engaged with respect to email correspondence with settlement agreements from Company counsel.	0.50
May-12-21	Tracy C. Sandler	<div style="background-color: black; width: 480px; height: 25px; display: inline-block;"></div> email correspondence regarding disclaimers.	0.50
May-17-21	David Rosenblat	Reviewing correspondence.	0.10
May-17-21	Tracy C. Sandler	Receipt of update from counsel to Company; engaged reviewing email correspondence.	0.20
May-18-21	David Rosenblat	Attending call regarding claim quantification with Company counsel and client.	0.50
May-18-21	Tracy C. Sandler	Engaged on telephone call with A&M and Goodmans.	0.50
May-19-21	David Rosenblat	Reviewing correspondence; responding to emails; considering virtual meeting mechanics.	0.30
May-20-21	David Rosenblat	Reviewing LUMI materials; reviewing correspondence; attending call with J. Nevsky.	0.70
May-20-21	Tracy C. Sandler	Reviewing email correspondence regarding court hearing; engaged regarding LUMI and options for creditor meeting.	0.50
May-21-21	David Rosenblat	Reviewing correspondence.	0.10

May-25-21	David Rosenblat	Preparing for and attending call with client, T. Sandler and LUMI; reviewing LUMI materials.	0.60
May-26-21	Justin Kanji	Telephone call with D. Rosenblat to discuss meeting order and claims procedure order; reviewing multiple sets of comments and inputting same on behalf of Monitor; reviewing claims procedure orders on landlord related matters to assist drafting of certain provisions, and inputting same.	2.50
May-26-21	David Rosenblat	Discussing order review with J. Kanji; engaged in correspondence regarding same.	0.50
May-27-21	David Rosenblat	Reviewing and commenting on meeting order; reviewing and commenting on claims procedure order; reviewing and commenting on lease amendment; reviewing correspondence; responding to emails.	4.50
May-27-21	Tracy C. Sandler	Receipt and review of email correspondence from Goodmans; engaged reviewing agreement; email correspondence from Monitor regarding comments; engaged reviewing comments aggregated regarding meeting order and claims process order.	1.50

<b>TOTAL HOURS:</b>	<b>22.20</b>
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#### EXPENSE SUMMARY

<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>TOTAL (CAD):</b>	<b>0.00</b>

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12521097**  
Date: **June 14, 2021**  
Client No.: 223017

GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	24,177.50
REIMBURSABLE EXPENSES	8.55
HST @ 13%	3,144.19
<b>TOTAL (CAD):</b>	<b>27,330.24</b>

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FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12521097**  
Client No.: 223017  
Amount: 27,330.24 CAD

Email payment details to [payments@osler.com](mailto:payments@osler.com),  
referencing invoice number(s) being paid.

Please return remittance advice(s) with  
cheque.

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Paul J. Morassutti	2.20	1,030	2,266.00
Tracy C. Sandler	8.50	1,150	9,775.00
<u>ASSOCIATE</u>			
Justin Kanji	6.00	545	3,270.00
David Rosenblat	11.10	765	8,491.50
<u>STUDENT</u>			
Tamara Kljakic	1.50	250	375.00
<b>TOTAL FEES (CAD):</b>	<b>29.30</b>		<b>24,177.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
May-25-21	David Rosenblat	Engaged with LUMI.	0.50
May-25-21	Tracy C. Sandler	Engaged with LUMI.	0.50
May-27-21	Paul J. Morassutti	Review Lease Amending Agreement [REDACTED]; conference with D. Rosenblat regarding same.	0.60
May-28-21	Paul J. Morassutti	Reviewing Lease Amending Agreement [REDACTED] [REDACTED]; email to D. Rosenblat regarding same.	0.70
May-28-21	David Rosenblat	Reviewing [REDACTED] Lease Amending Agreement; commenting thereon; reviewing correspondence; responding to emails.	0.70
May-28-21	Tracy C. Sandler	[REDACTED] [REDACTED]	0.60
May-31-21	David Rosenblat	Reviewing correspondence; responding to email.	0.10
May-31-21	Tracy C. Sandler	Engaged reviewing correspondence.	0.10
Jun-01-21	David Rosenblat	Engaged regarding LUMI.	0.20
Jun-01-21	David Rosenblat	Discussing claims procedure order and meeting order with C. Descours; engaged in internal correspondence regarding same; engaged regarding LUMI.	1.00

Jun-01-21	Tracy C. Sandler	Engaged reviewing email regarding Goodmans; engaged regarding LUMI next steps; engaged with respect to comments on orders and instructing D. Rosenblat.	0.70
Jun-02-21	David Rosenblat	Providing update to T. Sandler and A&M.	0.40
Jun-02-21	David Rosenblat	Reviewing correspondence; updating T. Sandler and A&M.	0.50
Jun-02-21	Tracy C. Sandler	Engaged with US counsel regarding next steps; update from D. Rosenblat and response to same; email from Goodmans regarding settlement.	0.50
Jun-03-21	David Rosenblat	Reviewing correspondence; responding to email.	0.10
Jun-03-21	Tracy C. Sandler	Receipt of executed [REDACTED] agreement.	0.10
Jun-04-21	David Rosenblat	Reviewing correspondence; responding to email.	0.20
Jun-04-21	Tracy C. Sandler	Reviewing materials from M. Lunn [REDACTED]; engaged regarding creditor meeting.	0.60
Jun-07-21	Paul J. Morassutti	Review Temporary Lease Agreement [REDACTED]; conference with D. Rosenblat regarding same.	0.90
Jun-07-21	David Rosenblat	Reviewing temporary lease; reviewing correspondence; responding to emails; engaged with LUMI.	0.70
Jun-07-21	Tracy C. Sandler	Engaged regarding settlement; engaged regarding next steps.	0.40
Jun-08-21	David Rosenblat	Reviewing correspondence; responding to emails.	0.30
Jun-08-21	Tracy C. Sandler	Reviewing email exchange with Goodmans; receipt of update email from Goodmans regarding plan and next steps.	0.50
Jun-09-21	Justin Kanji	Reviewing plan against precedents and inputting revisions and amendments.	4.50
Jun-09-21	Tamara Kljakic	Attending and taking notes for plan of arrangement meeting; comparing documents and adding provisions to cover Monitor liability.	1.50
Jun-09-21	David Rosenblat	Attending call with T. Sandler and A. Hutchens; reviewing proposed plan and claims process timeline; reviewing plan of arrangement draft; attending call regarding same; instructing J. Kanji regarding review of same.	1.90
Jun-09-21	Tracy C. Sandler	Engaged with respect to emails regarding US motion to approve agreement [REDACTED] reviewing comments to motion materials from Goodmans and Katten; call with counsel.	2.00

Jun-10-21	Justin Kanji	Reviewing, revising and finalizing plan.	1.50
Jun-10-21	David Rosenblat	Reviewing and commenting on draft plan of arrangement; considering and incorporating further comments thereon; attending to US counsel review of same; discussing revisions thereto with C. Descours; considering related issues; reviewing correspondence; responding to emails.	4.50
Jun-10-21	Tracy C. Sandler	Engaged with respect to plan.	2.50
<b>TOTAL HOURS:</b>			<b>29.30</b>

#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	8.55
<b>TOTAL (CAD):</b>	<b>8.55</b>

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12524663**  
Date: **June 30, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	11,620.00
HST @ 13%	1,510.60
<b>TOTAL (CAD):</b>	<b>13,130.60</b>

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SWIFT Code: TDOMCATTTOR

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FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12524663**  
Client No.: 223017  
  
Amount: 13,130.60 CAD

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referencing invoice number(s) being paid.

Please return remittance advice(s) with  
cheque.

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Paul J. Morassutti	1.90	1,030	1,957.00
Tracy C. Sandler	3.90	1,150	4,485.00
<u>ASSOCIATE</u>			
Justin Kanji	1.50	545	817.50
David Rosenblat	5.70	765	4,360.50
<b>TOTAL FEES (CAD):</b>	<b>13.00</b>		<b>11,620.00</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jun-14-21	Paul J. Morassutti	Reviewing [REDACTED] lease amendment ; conference with D. Rosenblat regarding same.	0.80
Jun-14-21	David Rosenblat	Reviewing and commenting on [REDACTED] lease amendment; aggregating comments thereon; reviewing correspondence; responding to email.	0.70
Jun-14-21	Tracy C. Sandler	Email from Goodmans regarding settlement agreement [REDACTED]; reviewing emails regarding same; reviewing emails regarding court booking and next steps; reviewing settlement agreement; reviewing Goodmans note and materials; engaged with M. Lunn (Delaware counsel).	1.50
Jun-15-21	Paul J. Morassutti	Review [REDACTED] lease amending agreements; conference with D. Rosenblat regarding same.	0.60
Jun-15-21	David Rosenblat	Reviewing lease amendments; reviewing draft order; reviewing draft affidavit; reviewing correspondence; responding to emails.	1.20
Jun-15-21	Tracy C. Sandler	Reviewing settlement agreements; reviewing emails regarding same; reviewing motion for stay extension.	1.00
Jun-16-21	David Rosenblat	Providing comments on lease amendments; providing comments on stay extension materials; engaged in correspondence with Goodmans regarding same; discussing related issues with T. Sandler; reviewing and commenting on draft Monitor's report.	2.10
Jun-16-21	Tracy C. Sandler	Engaged reviewing Monitor's report; reviewing emails regarding Goodmans affidavit; telephone call with D. Rosenblat regarding materials; reviewing comments to revised Monitor's report and emails regarding same.	1.20



Jun-17-21	David Rosenblat	Reviewing correspondence; responding to emails; reviewing revised report and attending to same.	0.60
Jun-18-21	Justin Kanji	Finalizing third report of Monitor; serving materials; swearing affidavit; coordinating with clerks for court filing; reading and writing emails in respect of same.	1.50
Jun-18-21	David Rosenblat	Reviewing correspondence; responding to emails; attending to finalization of report.	0.40
Jun-23-21	Paul J. Morassutti	Reviewing lease amending agreement [REDACTED] and conference with D. Rosenblat regarding same.	0.50
Jun-23-21	David Rosenblat	Reviewing lease amendment; reviewing correspondence; responding to email.	0.50
Jun-23-21	Tracy C. Sandler	Receipt of email from Goodmans with executed agreements.	0.10
Jun-24-21	David Rosenblat	Reviewing correspondence; responding to email.	0.20
Jun-24-21	Tracy C. Sandler	Email from Goodmans regarding next hearing.	0.10
<b>TOTAL HOURS:</b>			<b>13.00</b>

#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<b>TOTAL (CAD):</b>	<b>0.00</b>

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12531395**  
Date: **July 30, 2021**  
Client No.: **223017**  
  
GST/HST No.: **121983217 RT0001**

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: **(416) 862-5890**  
E-mail: **TSandler@osler.com**

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	24,010.50
REIMBURSABLE EXPENSES	115.40
HST @ 13%	3,136.37
<b>TOTAL (CAD):</b>	<b>27,262.27</b>

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SWIFT Code: TDOMCATTTOR

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FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12531395**  
Client No.: **223017**  
  
Amount: **27,262.27 CAD**

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referencing invoice number(s) being paid.

Please return remittance advice(s) with  
cheque.

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Paul J. Morassutti	3.30	1,030	3,399.00
Tracy C. Sandler	5.30	1,150	6,095.00
<u>ASSOCIATE</u>			
Justin Kanji	5.30	545	2,888.50
David Rosenblat	15.20	765	11,628.00
<b>TOTAL FEES (CAD):</b>	<b>29.10</b>		<b>24,010.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jun-18-21	Tracy C. Sandler	Engaged with respect to Monitor's report.	0.50
Jun-25-21	David Rosenblat	Preparing for and attending stay extension motion; reviewing timeline; engaged in correspondence.	0.40
Jun-25-21	Tracy C. Sandler	Engaged in virtual court hearing.	0.20
Jun-28-21	Paul J. Morassutti	Reviewing [REDACTED] lease amending agreement; conference with D. Rosenblat regarding same.	1.20
Jun-28-21	David Rosenblat	Reviewing and commenting on [REDACTED] amendment; considering additional comments thereon; reviewing correspondence; responding to email.	0.80
Jun-28-21	Tracy C. Sandler	Engaged with respect to settlement agreements from J. Latham; engaged with M. Lunn; receipt of issued and entered order; further engaged regarding amendments to settlement.	1.00
Jun-29-21	David Rosenblat	Discussing lease amendment with J. Nevsky; finalizing mark-up of same; discussing timeline considerations with C. Descours; discussing same with T. Sandler; reviewing correspondence; responding to email.	1.10
Jun-29-21	Tracy C. Sandler	Engaged reviewing agreement and comments; engaged with M. Lunn regarding timeline for US hearings; engaged with D. Rosenblat regarding same, and regarding his call with Goodmans; further engaged with M. Lunn.	1.00
Jun-30-21	Paul J. Morassutti	Reviewing lease amending agreement [REDACTED]; conference with D. Rosenblat regarding same.	0.50

Jun-30-21	David Rosenblat	Attending to lease amendments; preparing for and attending call with T. Sandler, A&M and M. Lunn regarding timing considerations.	1.40
Jul-01-21	David Rosenblat	Engaged in correspondence regarding lease amendment.	0.10
Jul-02-21	Paul J. Morassutti	Review lease amending agreement [REDACTED] conference with D. Rosenblat regarding same.	1.00
Jul-02-21	David Rosenblat	Reviewing and commenting on lease amendment; reviewing additional comments thereon; engaged in correspondence.	0.70
Jul-05-21	David Rosenblat	Considering timeline matters and reviewing draft prepared by US counsel; reviewing correspondence; responding to email.	0.30
Jul-06-21	David Rosenblat	Engaged in correspondence regarding timing matters.	0.20
Jul-07-21	Justin Kanji	Assisting D. Rosenblat with upcoming motion materials and related matters; obtaining relevant documentation; comparing claims procedure order and plan; drafting reporting email.	2.60
Jul-07-21	David Rosenblat	Reviewing revised claims process order, meeting order and plan; preparing comments thereon; discussing outstanding matters with C. Descours.	1.90
Jul-07-21	Tracy C. Sandler	Reviewing email update regarding timeline/process considerations.	0.10
Jul-08-21	David Rosenblat	Attending call with J. Nevsky; preparing mark-ups of plan and orders; discussing same with T. Sandler; reviewing correspondence; responding to email.	1.40
Jul-08-21	Tracy C. Sandler	Engaged reviewing plan and claims process order; reviewing emails regarding same.	1.00
Jul-09-21	David Rosenblat	Reviewing correspondence; responding to emails; attending to timing analysis and related matters.	0.30
Jul-12-21	Justin Kanji	Reviewing affidavit, meeting order, claims procedure order and CCAA Plan; reporting to D. Rosenblat in respect of same.	2.70
Jul-12-21	David Rosenblat	Reviewing and commenting on affidavit; reviewing correspondence; responding to email.	1.20
Jul-13-21	David Rosenblat	Preparing for and attending working group status call; attending to lease amendments and motion materials; reviewing correspondence; responding to emails.	1.40
Jul-13-21	Tracy C. Sandler	Reviewing and commenting on affidavit; [REDACTED] engaged with D. Rosenblat.	1.30

Jul-14-21	David Rosenblat	Attending call with Goodmans; reviewing correspondence; responding to emails; [REDACTED] reviewing draft Monitor's report and preparing comments thereon.	0.90
Jul-15-21	Paul J. Morassutti	Review lease amending agreement for Westfield.	0.60
Jul-15-21	David Rosenblat	Reviewing and commenting on draft Monitor report; reviewing and attending to lease amendments and support agreements; discussing same with T. Sandler; reviewing revised timeline; reviewing correspondence; responding to emails.	1.70
Jul-16-21	David Rosenblat	Reviewing comments on report; revising same; attending to finalization and service of same; reviewing correspondence; responding to emails.	0.80
Jul-16-21	Tracy C. Sandler	Reviewing email correspondence; reviewing and commenting on draft report; reviewing [REDACTED] agreement.	0.20
Jul-19-21	David Rosenblat	Reviewing correspondence.	0.10
Jul-21-21	David Rosenblat	Preparing for and attending motion for stay extension; attending call with T. Sandler.	0.50

<b>TOTAL HOURS:</b>	<b>29.10</b>
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#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<u>EXPENSES - TAXABLE</u>	
Printing Costs	5.40
Agent's Fees & Expenses	110.00
<b>TOTAL (CAD):</b>	<b>115.40</b>

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12540664**  
Date: **August 16, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	25,275.00
HST @ 13%	3,285.75
<b>TOTAL (CAD):</b>	<b>28,560.75</b>

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SWIFT Code: TDOMCATTOR

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Osler, Hoskin & Harcourt LLP  
FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12540664**  
Client No.: 223017  
  
Amount: 28,560.75 CAD

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*Please return remittance advice(s) with  
cheque.*

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## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Paul J. Morassutti	0.60	1,030	618.00
Tracy C. Sandler	11.70	1,150	13,455.00
<u>ASSOCIATE</u>			
Justin Kanji	4.50	545	2,452.50
David Rosenblat	11.30	765	8,644.50
<u>PARAPROFESSIONAL</u>			
Kevin MacEachern	0.50	210	105.00
<b>TOTAL FEES (CAD):</b>	<b>28.60</b>		<b>25,275.00</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Jul-12-21	Tracy C. Sandler	Engaged with Goodmans regarding landlords; email from J. Latham regarding signed deals; engaged reviewing mark-up of affidavit.	1.50
Jul-14-21	Tracy C. Sandler	Engaged with A&M regarding report and update from D. Rosenblat; engaged regarding report; emails from Goodmans regarding court availability and considering timeline; [REDACTED] engaged with M. Lunn; engaged with A&M; update from D. Rosenblat regarding call with Goodmans; engaged reviewing timeline with M. Lunn; receive Goodmans email exchange to and from court.	2.60
Jul-23-21	David Rosenblat	Reviewing correspondence; responding to email.	0.10
Jul-26-21	David Rosenblat	Reviewing and commenting on draft fifth report of the Monitor; engaged in correspondence.	1.00
Jul-26-21	Tracy C. Sandler	Engaged with respect to Monitor's report.	0.60
Jul-27-21	David Rosenblat	Reviewing revised draft fifth report of the Monitor; reviewing correspondence; responding to emails; considering timeline matters; reviewing revised motion affidavit and considering same.	1.60
Jul-27-21	Tracy C. Sandler	Reviewing revised Monitor's report; email from M. Lunn; reviewing emails regarding same; reviewing revised affidavit; engaged with respect to court material.	1.60

Jul-28-21	Justin Kanji	Attending to call on affidavit and fifth report of Monitor; reviewing latest drafts of documents and inputting revisions and various other updates in order to reflect matter progress; reviewing claims procedure order and Plan with respect to revisions to fifth report of Monitor; reviewing comments received on same from Goodmans.	2.00
Jul-28-21	David Rosenblat	Reviewing revised affidavit; reviewing revised orders; reviewing revised plan; reviewing comments on draft fifth report of the Monitor; revising same; attending call with Goodmans; reviewing correspondence; responding to emails; attending call with J. Kanji regarding report revisions.	3.00
Jul-28-21	Tracy C. Sandler	Engaged with respect to Monitor's report.	0.50
Jul-29-21	Paul J. Morassutti	[REDACTED]	0.60
Jul-29-21	David Rosenblat	Reviewing revised report; reviewing correspondence; responding to emails; attending call with C. Descours; attending to motion scheduling matters; revising draft report; reviewing Omnibus landlord agreement.	3.40
Jul-29-21	Tracy C. Sandler	[REDACTED] ongoing engagement with respect to report, landlord analysis, [REDACTED] and correspondence with M. Lunn.	3.00
Jul-30-21	Justin Kanji	Performing final review of Monitor's fifth report and attending to necessary drafting amendments; providing assistance to D. Rosenblat with service, drafting affidavit of service, and arranging for filing with Court; reading and writing emails.	2.50
Jul-30-21	David Rosenblat	Reviewing correspondence; responding to emails; reviewing Chapter 15 materials.	0.40
Jul-30-21	Tracy C. Sandler	Reviewing correspondence.	0.20
Jul-31-21	David Rosenblat	Reviewing draft Chapter 15 materials; engaged in correspondence.	0.70
Jul-31-21	Tracy C. Sandler	Engaged reviewing draft Chapter 15 materials.	0.50
Aug-01-21	David Rosenblat	Reviewing comments on draft Chapter 15 materials; engaged in correspondence regarding same.	0.50
Aug-02-21	Tracy C. Sandler	Email correspondence regarding Chapter 15 court materials.	0.50
Aug-04-21	Kevin MacEachern	Attending to Commercial Court online portal; submitting fifth report of the Monitor.	0.50



Aug-04-21	David Rosenblat	Preparing for and attending motion and follow up hearing; reviewing correspondence.	0.60
Aug-04-21	Tracy C. Sandler	Reviewing email correspondence; instructing D. Rosenblat.	0.60
Aug-05-21	Tracy C. Sandler	Engaged with respect to update regarding claims packages.	0.10
<b>TOTAL HOURS:</b>			<b>28.60</b>

#### EXPENSE SUMMARY

DESCRIPTION	AMOUNT
<b>TOTAL (CAD):</b>	<b>0.00</b>

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place  
PO BOX 50  
Toronto ON M5X 1B8  
CANADA  
416.362.2111 main  
416.862.6666 facsimile

OSLER

Alvarez & Marsal Canada Inc.  
200 Bay Street, Suite 2900  
South Tower, Royal Bank Plaza  
Toronto, ON M5J 2J1  
CANADA

Invoice No.: **12552945**  
Date: **September 10, 2021**  
Client No.: 223017  
  
GST/HST No.: 121983217 RT0001

Attention: Al J. Hutchens

Contact: **Tracy C. Sandler**  
Direct Dial: (416) 862-5890  
E-mail: TSandler@osler.com

For professional services rendered for Restructuring of Yatsen Group of Companies Inc.  
(F#1217492).

OUR FEE HEREIN	22,224.50
HST @ 13%	2,889.19
<b>TOTAL (CAD):</b>	<b>25,113.69</b>

**PAYMENT DUE UPON RECEIPT**



We are committed to protecting the environment. Please provide your email address to [payments@osler.com](mailto:payments@osler.com) to receive invoices and reminder statements electronically.



**REMITTANCE ADVICE**

Canadian Dollar EFT and Wire Payments:

TD Canada Trust  
751 3rd Street S.W.  
Calgary, Alberta T2P 4K8  
Transit No: 80629-0004  
Account No: 5219313  
SWIFT Code: TDOMCATTOR

Cheque Payments:

Osler, Hoskin & Harcourt LLP  
FINANCE & ACCOUNTING  
(RECEIPTS)  
1 First Canadian Place  
PO BOX 50  
Toronto, Ontario M5X 1B8  
Canada

Invoice No.: **12552945**  
Client No.: 223017  
  
Amount: 25,113.69 CAD

Email payment details to [payments@osler.com](mailto:payments@osler.com),  
referencing invoice number(s) being paid.

Please return remittance advice(s) with  
cheque.

osler.com

## FEE SUMMARY

NAME	HRS	RATE	FEES
<u>PARTNER</u>			
Tracy C. Sandler	10.60	1,150	12,190.00
<u>ASSOCIATE</u>			
Justin Kanji	3.50	545	1,907.50
David Rosenblat	9.80	765	7,497.00
<u>STUDENT</u>			
Tiffany Sun	2.10	300	630.00
<b>TOTAL FEES (CAD):</b>	<b>26.00</b>		<b>22,224.50</b>

## FEE DETAIL

DATE	NAME	DESCRIPTION	HRS
Aug-27-21	Tracy C. Sandler	Telephone call with J. Nevsky; reviewing email from J. Latham; engaged reviewing materials.	1.00
Aug-28-21	Tracy C. Sandler	Engaged with Goodmans and A&M regarding proxy and Brookfield, and DIP extension.	0.50
Aug-30-21	David Rosenblat	Attending to sanction order materials; reviewing and commenting on recognition materials; reviewing correspondence; responding to emails.	2.10
Aug-30-21	Tracy C. Sandler	Email from J. Latham regarding guarantee claim; reviewing draft note to landlords; reviewing and commenting on revised draft affidavit; reviewing US recognition materials; engaged with Goodmans.	1.50
Aug-31-21	Justin Kanji	Attending on Osler and A&M affidavits.	3.50
Aug-31-21	David Rosenblat	Reviewing and commenting on revised sanction order materials; preparing for and attending call with US counsel regarding same; considering related issues; reviewing Monitor's report; discussing outstanding issues with T. Sandler; reviewing correspondence; responding to email.	2.40
Aug-31-21	Tracy C. Sandler	Engaged with respect to draft materials; engaged in email correspondence; engaged with respect to US recognition proceedings.	1.50
Aug-31-21	Tiffany Sun	Attending call with J. Kanji to discuss instructions; reviewing Monitor invoices for possible redactions; drafting email summary of findings.	1.50

Sep-01-21	David Rosenblat	Reviewing comments on Chapter 15 materials; reviewing correspondence; responding to emails.	0.40
Sep-01-21	Tracy C. Sandler	Engaged throughout the day reviewing materials and considering issues.	1.50
Sep-02-21	David Rosenblat	Reviewing revised script and comments thereon; reviewing correspondence; responding to emails.	0.70
Sep-02-21	Tracy C. Sandler	██████████ reviewing A&M emails regarding updated claims packages; reviewing email from E. Cobb; reviewing disputes claims email and responding to same; reviewing ██████ email regarding proxy.	2.00
Sep-03-21	David Rosenblat	Reviewing correspondence.	0.10
Sep-07-21	David Rosenblat	Attending practice run of creditors' meeting; reviewing correspondence; responding to emails.	1.20
Sep-07-21	Tracy C. Sandler	Engaged reviewing correspondence.	0.10
Sep-08-21	David Rosenblat	Preparing for creditors' meeting; reviewing and commenting on draft Monitor's report; incorporating further comments thereon; attending to fee affidavit; reviewing correspondence; responding to emails; attending to amendment.	2.90
Sep-08-21	Tracy C. Sandler	Engaged reviewing and commenting on report; reviewing additional comments; responding to emails; further engaged during day with Monitor and Goodmans.	2.50
Sep-08-21	Tiffany Sun	Attending to correspondences related to commissioning updated fee affidavit; compiling fee affidavit.	0.60

<b>TOTAL HOURS:</b>	<b>26.00</b>
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#### EXPENSE SUMMARY

<b>DESCRIPTION</b>	<b>AMOUNT</b>
<b>TOTAL (CAD):</b>	<b>0.00</b>

## **SCHEDULE “A”**

### **LIST OF APPLICANT COMPANIES**

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.

**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”**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**AFFIDAVIT OF DAVID ROSENBLAT**

OSLER, HOSKIN & HARCOURT  
LLP

1 First Canadian Place, P.O. Box 50  
Toronto, ON M5X 1B8

Tracy Sandler – LSO# 32443N  
Dave Rosenblat – LSO# 64586K

Tel: (416) 362-2111  
Fax: (416) 862-6666

Lawyers for the Monitor

**APPENDIX F**  
**AFFIDAVIT OF MATTHEW B. LUNN**

See attached.



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"

AFFIDAVIT OF MATTHEW B. LUNN  
(Sworn Date September 9, 2021)

I, MATTHEW B. LUNN, of the City of Wilmington, in the State of Delaware, **MAKE OATH AND SAY:**

1. I am a Partner at Young Conaway Stargatt & Taylor, LLP ("**Young Conaway**"), legal counsel to the Court appointed Monitor in these proceedings (the "**Monitor**") and the Chapter 15 proceedings pending before the United States Bankruptcy Court for the District of Delaware (Case No. 21-10073 (BLS)). As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief and whereso stated I verily believe it to be true.

2. Alvarez & Marsal Canada Inc. was appointed as Monitor pursuant to the Initial Order (as amended and restated, the "**Initial Order**") of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on January 25, 2021. The Monitor retained Young Conaway as its counsel in these proceedings and the Chapter 15 proceedings.

3. Pursuant to paragraph 27 of the Initial Order, the Monitor and its legal counsel are to be paid their reasonable fees and disbursements, in each case at their standard rates and charges, whether incurred prior to, on or subsequent to the date of the Initial Order, by the Applicants as part of the proceedings. Pursuant to paragraph 28 of the Initial Order, the Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are referred to the Court.

4. Attached hereto and marked as Exhibit "1" to this my Affidavit is a summary of the invoices rendered by Young Conaway (the "**Young Conaway Accounts**") in respect of these

proceedings for the period from January 22, 2021 to July 31, 2021 (the “**Young Conaway Application Period**”), together with copies of the Young Conaway Accounts.

5. Young Conaway expended a total of 154.4 hours in connection with this matter during the Young Conaway Application Period, giving rise to fees and disbursements totalling US\$151,823.68, comprised of fees of US\$96,136.50, and disbursements (primarily for the filing fee for 38 voluntary petitions) of US\$55,687.18.

6. Young Conaway’s fees and disbursements for its remaining activities in this proceeding and the Chapter 15 proceeding will be calculated and billed at Young Conaway’s standard rates. Barring unforeseen circumstances, I estimate that those fees and disbursements will not exceed US\$25,500.

7. Attached hereto and marked as Exhibit “2” to this my Affidavit is a summary of the hours incurred and standard hourly rates of the Young Conaway personnel involved in this matter.

8. To the best of my knowledge, Young Conaway’s rates and disbursements are consistent with those in the market for these types of matters and the hourly billing rates charged by Young Conaway are comparable to the rates charged by Young Conaway for services rendered in similar proceedings. Young Conaway has had its rates and disbursements, including the rates of various professionals who provided services in these proceedings, including and the Chapter 15 proceedings, approved by this Court in respect of similar services provided in other insolvency and restructuring files.

9. This Affidavit is sworn in connection with a motion by the Applicants to have the Monitor’s fees and disbursements, and those of its legal counsel, in connection with these proceedings, approved by this Court and for no improper purpose.

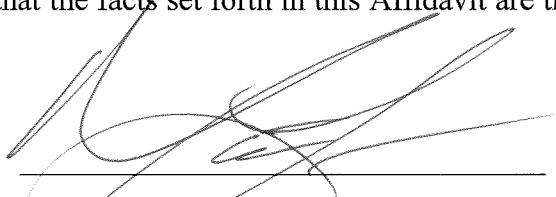
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STATE OF DELAWARE )

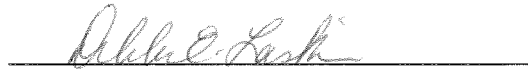
) SS

NEW CASTLE COUNTY )

Matthew B. Lunn, being duly sworn according to law, deposes and says that he is partner at the law firm of Young Conaway Stargatt & Taylor, LLP, counsel to the Monitor in these proceedings and the Chapter 15 proceedings, and that the facts set forth in this Affidavit are true and correct to the best of his knowledge

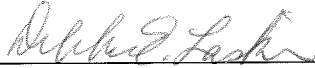
  
Matthew B. Lunn

SWORN TO AND SUBSCRIBED before me this 9<sup>th</sup> day of September.

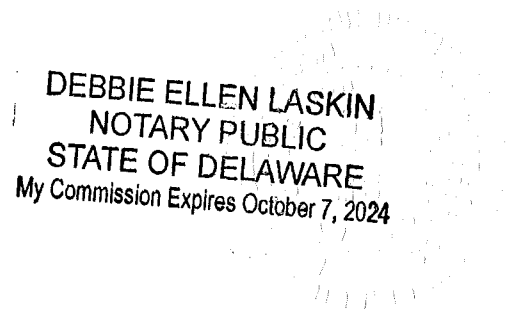
  
Notary Public

DEBBIE ELLEN LASKIN  
NOTARY PUBLIC  
STATE OF DELAWARE  
My Commission Expires October 7, 2024

**THIS IS EXHIBIT "1"**  
**TO THE AFFIDAVIT OF MATTHEW B. LUNN**  
**SWORN BEFORE ME THIS 9th DAY OF SEPTEMBER, 2021**



Notary Public



DEBBIE ELLEN LASKIN  
NOTARY PUBLIC  
STATE OF DELAWARE  
My Commission Expires October 7, 2024

**EXHIBIT "1"**  
**ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED MONITOR OF**  
**YATSEN GROUP OF COMPANIES INC., ET AL**  
**(January 22, 2021 to July 31, 2021)**

Invoice No.	Invoice Date	Invoice Period / Description	Total Hours	Fees	Disbursements	HST	Invoice Total (\$USD)
50021367	February 5, 2021	January 22, 2021 to February 4, 2021	76.8	46,627.00	55,353.00	-	101,980.00
50021796	February 19, 2021	February 5, 2021 to February 18, 2021	21.4	10,460.50	0.00	-	10,460.50
50022012	March 5, 2021	February 19, 2021 to March 4, 2021	16.9	8,202.50	282.00	-	8,484.50
50022462	March 19, 2021	March 5, 2021 to March 18, 2021	1.8	1,369.00	10.68	-	1,379.68
50023933	April 28, 2021	March 19, 2021 to April 29, 2021	3.9	3,219.50	2.70	-	3,222.20
50025463	July 6, 2021	April 30, 2021 to June 30, 2021	11.9	9,406.50	0.00	-	9,406.50
50026280	August 5, 2021	July 1, 2021 to July 31, 2021	21.7	16,851.50	38.80	-	16,890.30
<b>TOTAL</b>			<b>154.4</b>	<b>\$ 96,136.50</b>	<b>\$ 55,687.18</b>	<b>\$ 0.00</b>	<b>\$151,823.68</b>

# YOUNG CONAWAY STARGATT & TAYLOR, LLP

RODNEY SQUARE  
1000 NORTH KING STREET  
WILMINGTON, DELAWARE 19801

P.O. BOX 391  
WILMINGTON, DELAWARE 19899-0391

(302) 571-6600  
(800) 253-2234 (DE ONLY)

TAX I.D. NO. 51-0082644

(302) 571-1253 FAX  
www.ycst.com

Writer's Direct Dial  
(302) 571-6646

Writer's E-Mail  
mlunn@ycst.com

Alvarez & Marsal Canada, Inc.  
Royal Bank Plaza, South Tower 200  
Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J2J1  
Canada

Invoice Date: February 5, 2021  
Invoice Number: 50021367  
Matter Number: 071031.1002

Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE THROUGH FEBRUARY 4, 2021

Professional Services	\$	46,627.00
Disbursements	\$	<u>66,353.00</u>
Total Due This Invoice	\$	112,980.00
Less \$11,000 estimated fees through 1/21/2021	\$	<u>-11,000.00</u>
BALANCE DUE	\$	<b>101,980.00</b>
 Remaining Trust Amount	 \$	 174,980.00

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01/21/21	MNEST	Review pleadings, revisions; numerous correspondence with all parties re: same; reviewing issues re: filing and considerations	2.30	2,357.50
01/22/21	TBOLL	Review and update petition forms	1.00	310.00
01/22/21	JBROO	Reviewing and revising Petitions	1.10	440.00
01/22/21	JBROO	Incorporating comments from P. Siddiqui into Provisional Relief Motion	0.20	80.00
01/22/21	JBROO	Incorporating comments from U.S. Trustee into Provisional Relief Motion.	2.10	840.00
01/22/21	JBROO	Revising filings to include claims agent website	0.10	40.00
01/22/21	JBROO	Reviewing and revising First Day Motions for nits.	0.60	240.00
01/22/21	BFELD	Revise re: first day pleadings	1.50	697.50
01/22/21	MLUNN	Review/revise declaration in support of filing; review / analyze revised Company affidavit; review initial order; review comments; attention to filing preparations and issues; review revised pleadings; correspondence with US Trustee; call to Court; review/analyze UST comments and related correspondence with Osler/A&M and correspondence with Goodmans and Katten	3.90	3,295.50
01/22/21	BFELD	Review revised petition forms	0.30	139.50
01/22/21	MNEST	Review numerous documents re: filing in Canada and US; numerous correspondence re: same; confer with M. Lunn re: same	1.50	1,537.50
01/22/21	JBROO	Reviewing claims/noticing website for accuracy	0.20	80.00
01/23/21	MLUNN	Review proposed revisions to address UST comments and revise order re: same; correspondence re: finalizing draft of A. Hutchins affidavit; review/analyze comments from Goodmans and Katten; work with B. Feldman re: finalizing revised drafts of pleadings; correspondence with D. Rosenblat	2.40	2,028.00
01/23/21	BFELD	Revise re: first day drafts	4.90	2,278.50
01/23/21	MNEST	Review revised affidavit in support of Can. Filing; confer with all parties re: same; review US pleadings to be filed	1.40	1,435.00
01/23/21	JBROO	Reviewing First Day Motions for conformity with comments from J. Latham and P. Siddiqui	0.30	120.00
01/23/21	JBROO	Revising Provisional Relief Motion to incorporate comments from Goodmans/Katten & A&M Teams	2.80	1,120.00
01/24/21	BFELD	Revise re: first day drafts	2.50	1,162.50
01/24/21	MNEST	Continue to review ch 15 and CN docs; correspondence with all re: same	1.00	1,025.00
01/24/21	MLUNN	Attention to finalizing draft pleadings, including review of various comments and revised versions; correspondence with Osler and A&M; work with B. Feldman	1.70	1,436.50

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01/24/21	JBROO	Reviewing First Day Motions for conformity with comments from J. Latham and P. Siddiqui	1.90	760.00
01/24/21	JBROO	Reviewing Draft Pre-Filing Report and revising pleadings with corresponding updates	0.10	40.00
01/25/21	MLUNN	Review final versions of petitions and pleadings; call with Osler and A&M; work with YCST team; correspondence with US Trustee re: pleadings and hearing; correspondence with chambers re: hearing and related logistics; correspondence with Osler & A&M and with Goodmans and Katten re: issues with first day hearing; review notice of first day hearing and related agenda; draft hearing notes	4.10	3,464.50
01/25/21	BFELD	Emails with Prime Clerk re: updated service lists	0.10	46.50
01/25/21	MNEST	Review pleading drafts; correspondence with all parties re: filing	0.50	512.50
01/25/21	MNEST	Numerous correspondence with parties re: filing, scheduling and process	0.60	615.00
01/25/21	TBOLL	Coordinate service of first day agenda with Prime Clerk	0.30	93.00
01/25/21	TBOLL	Review and update (1.0) and finalize for filing (.3) combined notice of first day hearing and agenda	1.30	403.00
01/25/21	TBOLL	Prepare first day hearing binder and coordinate delivery to the Court	0.80	248.00
01/25/21	BFELD	Prepare for first day hearing	1.10	511.50
01/25/21	BFELD	Finalize for filing re: combined agenda and hearing notice	0.10	46.50
01/25/21	BFELD	Finalize for filing re: chapter 15 petitions	0.90	418.50
01/25/21	BFELD	Finalize for filing re: first day pleadings (1.5); review re: combined agenda and hearing notice (.2)	1.70	790.50
01/25/21	JBROO	Assembling Petitions for filing	0.90	360.00
01/25/21	TBOLL	Finalize for filing petition packages	1.80	558.00
01/25/21	TBOLL	Finalize for filing first day pleadings	0.80	248.00
01/25/21	JBROO	Filing of pleadings	1.50	600.00
01/25/21	TBOLL	Assist in compiling and finalizing petitions, and in preparations for case filing	2.00	620.00
01/26/21	MLUNN	Correspondence with T. Sandler re: length of stay to be sought at Comeback Hearing	0.10	84.50
01/26/21	MLUNN	Review various materials in preparation for provisional relief hearing and draft hearing notes	3.10	2,619.50
01/26/21	MLUNN	Correspondence with T. Bollman re: paper flow for filed pleadings and arrangements for appearances at provisional relief hearing	0.20	169.00
01/26/21	MLUNN	Correspondence with chambers re: final recognition hearing date	0.10	84.50
01/26/21	MLUNN	Call with counsel for Gordon Foods re: filing	0.10	84.50
01/26/21	MLUNN	Correspondence with Clerk re: potential filing error/typo for EIN and related correspondence with T. Bollman	0.10	84.50



<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
01/26/21	MLUNN	Correspondence with P. Siddiqui re: preparations for January 27th hearing	0.30	253.50
01/26/21	MLUNN	Correspondence with Prime Clerk and correspondence with A. Hutchins re: engagement letter	0.20	169.00
01/26/21	TBOLL	Assist in preparations re: first day hearing on January 27, 2021	0.80	248.00
01/26/21	TBOLL	Prepare docket update for the working group and download related pleadings	0.10	31.00
01/26/21	MNEST	Numerous correspondence with parties re: CN proceedings and ch 15 (.3); review pleadings re: hearing on 1/28 (.4)	0.70	717.50
01/27/21	MLUNN	Prepare for hearing; attend hearing; follow-up call with T. Sandler; call with M. Nestor; call with B. Feldman; draft time line and critical deadlines, including related correspondence; attention to service of orders and related correspondence	3.30	2,788.50
01/27/21	BFELD	Participate in first day hearing	0.50	232.50
01/27/21	BFELD	Finalize for court approval orders re: first day relief	0.40	186.00
01/27/21	BFELD	Prepare for first day hearing	1.00	465.00
01/27/21	BFELD	Call with M. Lunn re: first day orders	0.10	46.50
01/27/21	MNEST	Teleconference with M. Lunn and correspondence with parties re: hearing and next steps	0.50	512.50
01/27/21	JBROO	First Day Hearing (departed early due to technical issues)	0.20	80.00
01/27/21	TBOLL	Assist in preparations re: first day hearing on January 27, 2021 and upload related first day orders	0.70	217.00
01/27/21	TBOLL	Prepare docket update for the working group and download related pleadings	0.10	31.00
01/28/21	MLUNN	Analyze rejection damage calculations (.2); status of notice and related services (.2); review draft monitor's report and related correspondence (.5)	0.90	760.50
01/28/21	BFELD	Emails with T. Bollman and J. Brooks re: recognition hearing notice (.2); finalize same for filing (.1)	0.30	139.50
01/28/21	TBOLL	Assist in coordinating service of first day pleadings, and notice of recognition hearing	0.80	248.00
01/28/21	JBROO	Drafting and revising Recognition Hearing Notice	0.60	240.00
01/28/21	TBOLL	Finalize for filing notice of recognition hearing	0.50	155.00
01/28/21	TBOLL	Prepare docket update for the working group and download related pleadings	0.10	31.00
01/29/21	MLUNN	Review company comments to First Report and related correspondence (.1); correspondence with T. Sandler and correspondence with P. Siddiqui re: Simon Property litigation (.2); correspondence with T. Sandler re: PA landlord issue (.1)	0.40	338.00
01/30/21	MLUNN	Review Plymouth lease issues and complaint	0.40	338.00
01/31/21	BFELD	Research re: briefs in support of verified petitions	0.30	139.50
02/01/21	MLUNN	Attention to lease termination and litigation issues, including related correspondence	0.30	253.50
02/01/21	JBROO	Drafting Memorandum of Law in Support of Final Recognition	4.50	1,800.00

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
02/01/21	TBOLL	Prepare docket update for the working group and download related pleadings	0.10	31.00
02/02/21	MLUNN	Attention to Brookfield DIP issues; attend hearing and related follow-up, including review of proposed revisions to Order and correspondence with Goodmans	1.30	1,098.50
02/02/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	0.40	160.00
02/03/21	TBOLL	Prepare docket update for the working group and download related pleadings	0.10	31.00
02/03/21	MLUNN	Review docket update; attention to potential issues re: recognition order	0.40	338.00
02/04/21	MLUNN	Call with P. Siddiqui re various issues	0.50	422.50
<b>Total</b>			<b>76.80</b>	<b>\$46,627.00</b>

Alvarez & Marsal Canada

Invoice Date: February 5, 2021  
Invoice Number: 50021367  
Matter Number: 071031.1002

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**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	15.70	465.00	7,300.50
JBROO	Joshua Brooks	Associate	17.50	400.00	7,000.00
MLUNN	Matthew B. Lunn	Partner	23.80	845.00	20,111.00
MNEST	Michael R. Nestor	Partner	8.50	1,025.00	8,712.50
TBOLL	Troy Bollman	Paralegal	11.30	310.00	3,503.00
<b>Total</b>			<b>76.80</b>		<b>\$46,627.00</b>

**Task Summary****Task Code:B000****Prepetition**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Matthew B. Lunn	Partner	12.10	845.00	10,224.50
Michael R. Nestor	Partner	8.50	1,025.00	8,712.50
Betsy L. Feldman	Associate	12.00	465.00	5,580.00
Joshua Brooks	Associate	11.80	400.00	4,720.00
Troy Bollman	Paralegal	3.00	310.00	930.00
<b>Total</b>		<b>47.40</b>		<b>30,167.00</b>

**Task Code:B001****Case Administration**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Matthew B. Lunn	Partner	11.70	845.00	9,886.50
Betsy L. Feldman	Associate	0.60	465.00	279.00
Joshua Brooks	Associate	5.50	400.00	2,200.00
Troy Bollman	Paralegal	3.90	310.00	1,209.00
<b>Total</b>		<b>21.70</b>		<b>13,574.50</b>

**Task Code:B002****Court Hearings**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Betsy L. Feldman	Associate	3.10	465.00	1,441.50
Joshua Brooks	Associate	0.20	400.00	80.00
Troy Bollman	Paralegal	4.40	310.00	1,364.00
<b>Total</b>		<b>7.70</b>		<b>2,885.50</b>

**Cost Detail**

<b><u>Date</u></b>	<b><u>Description</u></b>	<b><u>Quantity</u></b>	<b><u>Amount</u></b>
01/25/21	Photocopy Charges Duplication BW	25.00	5.00
01/25/21	Photocopy Charges Duplication BW	560.00	112.00
01/25/21	Photocopy Charges Duplication BW	181.00	36.20
01/25/21	Photocopy Charges Duplication BW	179.00	35.80
01/26/21	Photocopy Charges Duplication BW	546.00	109.20
01/27/21	Photocopy Charges Duplication BW	7.00	1.40
01/27/21	Photocopy Charges Duplication BW	8.00	1.60
01/27/21	Photocopy Charges Duplication BW	22.00	4.40
01/28/21	Photocopy Charges Duplication BW	17.00	3.40

Alvarez & Marsal Canada

Invoice Date: February 5, 2021  
Invoice Number: 50021367  
Matter Number: 071031.1002

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<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
02/04/21	Filing Fee for 38 Voluntary Petitions @\$1,738 each, for total of \$66,044.00.	38.00	66,044.00
	<b>Total</b>		<b>\$66,353.00</b>

Alvarez & Marsal Canada

Invoice Date: February 5, 2021  
Invoice Number: 50021367  
Matter Number: 071031.1002

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**Cost Summary**

<u>Description</u>	<u>Amount</u>
Filing Fee	66,044.00
Reproduction Charges	309.00
<b>Total</b>	<b>\$66,353.00</b>

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Canada

Invoice Date: February 19, 2021  
Invoice Number: 50021796  
Matter Number: 071031.1002

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Re: Yatsen Group of Companies, Inc.

## **CURRENT INVOICE THROUGH FEBRUARY 18, 2021**

Professional Services	\$	<u>10,460.50</u>
Total Due This Invoice	\$	10,460.50
Remaining Trust Amount	\$	174,980.00

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
01/26/21	BFELD	Prepare for first day hearing	B000	0.40	186.00
02/07/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	0.60	240.00
02/08/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	5.00	2,000.00
02/09/21	MLUNN	Correspondence re: Simon Property litigation	B001	0.20	169.00
02/10/21	BFELD	Review memorandum of law re: verified petition	B001	2.00	930.00
02/10/21	JBROO	Revisions to Memorandum of Law in support of Recognition	B001	2.30	920.00
02/11/21	JBROO	Revisions to Memorandum of Law in support of Recognition	B001	1.00	400.00
02/11/21	MLUNN	Correspondence with J. Brooks re: memo in support of recognition	B001	0.10	84.50
02/11/21	TBOLL	Assist in search re: recent Ch. 15 cases	B001	0.30	93.00
02/12/21	MLUNN	Review and provide comments to memo in support of chapter 15 petitions	B001	1.40	1,183.00
02/16/21	MLUNN	Further review/revise memo in support of recognition and correspondence with J. Brooks re: same	B001	1.40	1,183.00
02/17/21	BFELD	Emails with IRS and J. Nevsky re: tax returns	B001	0.10	46.50
02/17/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	0.70	280.00
02/17/21	JBROO	Drafting Notice of Filing of Blackline of Amended and Restated Initial Order	B001	0.50	200.00
02/17/21	MLUNN	Correspondence with Goodmans re: Amended and Restated Order and redline; review redline; correspondence with J. Brooks and review and revise notice	B001	0.50	422.50
02/18/21	BFELD	Emails with J. Nevsky and IRS re: tax returns of debtor entities	B001	0.20	93.00
02/18/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	2.40	960.00
02/18/21	JBROO	Drafting of Notice of Filing of Blackline for the Monitor's First Report against the Pre-Filing Report	B001	0.40	160.00



<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
02/18/21	MLUNN	Review IRS inquiry and related correspondence with B. Feldman and P. Siddiqui	B001	0.10	84.50
02/18/21	MLUNN	Correspondence with Osler and A&M teams re: update and preparations for Feb. 25th recognition hearing	B001	0.30	253.50
02/18/21	MLUNN	Review revised notice of Amended Order and correspondence with J. Brooks and correspondence with J. Brooks re: notice for First Report	B001	0.20	169.00
02/18/21	TBOLL	Update and finalize for filing notice of amended and restated initial order and blackline thereof	B001	0.50	155.00
02/18/21	TBOLL	Prepare docket update for the working group and download related pleadings	B001	0.10	31.00
02/18/21	TBOLL	Update draft agenda of matters scheduled for hearing on February 25, 2021	B001	0.20	62.00
02/18/21	TBOLL	Prepare initial draft agenda of matters scheduled for hearing on February 25, 2021	B001	0.50	155.00
<b>Total</b>				<b>21.40</b>	<b>\$10,460.50</b>

Alvarez & Marsal Canada

Invoice Date: February 19, 2021  
Invoice Number: 50021796  
Matter Number: 071031.1002

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**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	2.70	465.00	1,255.50
JBROO	Joshua Brooks	Associate	12.90	400.00	5,160.00
MLUNN	Matthew B. Lunn	Partner	4.20	845.00	3,549.00
TBOLL	Troy Bollman	Paralegal	1.60	310.00	496.00
<b>Total</b>			<b>21.40</b>		<b>\$10,460.50</b>

Alvarez & Marsal Canada

Invoice Date: February 19, 2021  
Invoice Number: 50021796  
Matter Number: 071031.1002

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**Task Summary**

**Task Code:B000**

**Prepetition**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Betsy L. Feldman	Associate	0.40	465.00	186.00
<b>Total</b>		<b>0.40</b>		<b>186.00</b>

**Task Code:B001**

**Case Administration**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Matthew B. Lunn	Partner	4.20	845.00	3,549.00
Betsy L. Feldman	Associate	2.30	465.00	1,069.50
Joshua Brooks	Associate	12.90	400.00	5,160.00
Troy Bollman	Paralegal	1.60	310.00	496.00
<b>Total</b>		<b>21.00</b>		<b>10,274.50</b>

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Canada

Invoice Date: March 5, 2021  
Invoice Number: 50022012  
Matter Number: 071031.1002

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Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE THROUGH MARCH 4, 2021

Professional Services	\$	8,202.50
Disbursements	\$	<u>282.00</u>
Total Due This Invoice	\$	8,484.50

Remaining Trust Amount	\$	174,980.00
Unapplied Remaining	\$	(40.00)

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
02/19/21	JBROO	Revising Notice of Filing of the Monitor's First Report	B001	0.40	160.00
02/19/21	JBROO	Preparing Notice of Filing of the Monitor's First Report for filing.	B001	0.20	80.00
02/19/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	2.30	920.00
02/19/21	MLUNN	Review notice of filing of First Report and correspondence with J. Brooks	B001	0.20	169.00
02/19/21	MLUNN	Review and provide comments to revised memo in support of recognition	B001	1.60	1,352.00
02/19/21	TBOLL	Finalize for filing notice of first report	B001	0.20	62.00
02/19/21	TBOLL	Prepare docket update for the working group and download related pleadings	B001	0.10	31.00
02/20/21	JBROO	Ongoing drafting of Memorandum of Law in Support of Final Recognition	B001	1.10	440.00
02/20/21	MLUNN	Review revised memo of law in support of recognition and related correspondence with J. Brooks	B001	0.40	338.00
02/22/21	BFELD	Review Osler and A&M comments re: memorandum of law in support of recognition order	B001	0.20	93.00
02/22/21	BFELD	Review agenda re: 2/25 hearing	B001	0.10	46.50
02/22/21	JBROO	Incorporating Osler and Alvarez & Marsal Canada's comments into Memorandum of Law in Support of Final Recognition	B001	2.20	880.00
02/22/21	MLUNN	Correspondence with A. Hutchins re: hearing (.1); review/revise recognition order and related correspondence (.6); review and correspondence with T. Bollman re: hearing agenda (.2); review revisions to memo in support of recognition and correspondence with J. Brooks (.2)	B001	1.10	929.50
02/22/21	TBOLL	Prepare draft notice of filing of revised recognition order	B001	1.00	310.00
02/23/21	BFELD	Emails with T. Bollman and M. Lunn re: revised final recognition order	B001	0.10	46.50
02/23/21	JBROO	Preparing Memorandum of Law in Support of Recognition for filing	B001	0.70	280.00

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
02/23/21	MLUNN	Review COC, agenda and correspondence with T. Bollman (.3); correspondence with chambers re: Feb. 25th hearing; correspondence with P. Siddiqui (.1); correspondence with co-counsel and monitor re: Feb 25th hearing (.1); review revised memo in support of recognition (.2)	B001	0.70	591.50
02/23/21	TBOLL	Assist in reviewing and updating brief in support of recognition (1.0), and finalize for filing same (.3)	B001	1.30	403.00
02/23/21	TBOLL	Prepare and finalize for filing certification of counsel re: recognition order	B001	0.80	248.00
02/23/21	TBOLL	Prepare docket update for the working group and download related pleadings	B001	0.10	31.00
02/24/21	BFELD	Emails with A&M, Osler, and Katten teams re: recognition order	B001	0.10	46.50
02/24/21	MLUNN	Correspondence re: entry of recognition order	B001	0.10	84.50
02/24/21	TBOLL	Prepare docket update for the working group and download related pleadings	B001	0.10	31.00
02/25/21	MLUNN	Work with T. Bollman re: service of final recognition order	B001	0.10	84.50
02/25/21	TBOLL	Coordinate serve of recognition order with the claims agent	B001	0.20	62.00
02/22/21	JBROO	Reviewing and revising Notice of Filing of Revised Proposed Recognition Order	B002	0.20	80.00
02/22/21	TBOLL	Review draft agenda of matters scheduled for hearing on February 25, 2021, and circulate same for attorney review	B002	0.30	93.00
02/23/21	TBOLL	Prepare hearing binder for the Court re: agenda of matters scheduled for hearing on February 25, 2021	B002	0.30	93.00
02/23/21	TBOLL	Update and finalize for filing agenda of matters scheduled for hearing on February 25, 2021	B002	0.70	217.00
<b>Total</b>				<b>16.90</b>	<b>\$8,202.50</b>

**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	0.50	465.00	232.50
JBROO	Joshua Brooks	Associate	7.10	400.00	2,840.00
MLUNN	Matthew B. Lunn	Partner	4.20	845.00	3,549.00
TBOLL	Troy Bollman	Paralegal	5.10	310.00	1,581.00
<b>Total</b>			<b>16.90</b>		<b>\$8,202.50</b>

**Task Summary****Task Code:B001****Case Administration**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew B. Lunn	Partner	4.20	845.00	3,549.00
Betsy L. Feldman	Associate	0.50	465.00	232.50
Joshua Brooks	Associate	6.90	400.00	2,760.00
Troy Bollman	Paralegal	3.80	310.00	1,178.00
<b>Total</b>		<b>15.40</b>		<b>7,719.50</b>

**Task Code:B002****Court Hearings**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Joshua Brooks	Associate	0.20	400.00	80.00
Troy Bollman	Paralegal	1.30	310.00	403.00
<b>Total</b>		<b>1.50</b>		<b>483.00</b>

**Cost Detail**

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
01/14/21	Soundpath Conferencing - Teleconference - Payee: Soundpath Confer Services, LLC	1.00	0.98
01/18/21	Soundpath Conferencing - Teleconference - Payee: Soundpath Confer Services, LLC	1.00	1.93
01/19/21	Docket Retrieval / Search	8.00	0.80
01/19/21	Docket Retrieval / Search	7.00	0.70
01/20/21	Soundpath Conferencing - Teleconference - Payee: Soundpath Confer Services, LLC	1.00	1.93
01/25/21	Docket Retrieval / Search	6.00	0.60
01/25/21	Docket Retrieval / Search	2.00	0.20
01/25/21	Docket Retrieval / Search	1.00	0.10
01/25/21	Docket Retrieval / Search	2.00	0.20
01/25/21	Docket Retrieval / Search	3.00	0.30
01/25/21	Soundpath Conferencing - Teleconference / Video Conference - additional surcharge	1.00	3.81
01/25/21	Soundpath Conferencing - Teleconference - Payee: Soundpath Confer Services, LLC	1.00	1.25
01/25/21	Docket Retrieval / Search	2.00	0.20
01/25/21	Docket Retrieval / Search	3.00	0.30
01/25/21	Docket Retrieval / Search	6.00	0.60
01/25/21	Docket Retrieval / Search	35.00	3.50
01/25/21	Docket Retrieval / Search	1.00	0.10
01/25/21	Docket Retrieval / Search	4.00	0.40
01/25/21	Docket Retrieval / Search	2.00	0.20
01/25/21	Docket Retrieval / Search	3.00	0.30
01/25/21	Docket Retrieval / Search	22.00	2.20
01/25/21	Docket Retrieval / Search	1.00	0.10
01/25/21	Docket Retrieval / Search	13.00	1.30
01/25/21	Docket Retrieval / Search	2.00	0.20
01/26/21	Docket Retrieval / Search	1.00	0.10
01/26/21	Docket Retrieval / Search	2.00	0.20
01/26/21	Docket Retrieval / Search	2.00	0.20
01/26/21	Docket Retrieval / Search	1.00	0.10
01/27/21	Docket Retrieval / Search	2.00	0.20
01/27/21	Docket Retrieval / Search	2.00	0.20
01/27/21	Docket Retrieval / Search	2.00	0.20
01/27/21	Docket Retrieval / Search	1.00	0.10
02/05/21	Filing Fee for 38 Voluntary Petitions @\$1,738 each, for total of \$66,044.00.	(38.00)	(66,044.00)



<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
02/19/21	Color Photocopy Charges Duplication Color	33.00	26.40
02/19/21	Photocopy Charges Duplication BW	6.00	1.20
02/22/21	Photocopy Charges Duplication BW	7.00	1.40
02/22/21	Reliable Wilmington - Deposition/Transcript Payment of expedited transcript from Reliable for hearing on 1/28/21 re: Yatsen, Invoice WL097324, on behalf of M. Lunn, by T. Bollman	1.00	126.10
02/23/21	Photocopy Charges Duplication BW	517.00	103.40
03/02/21	American Express - Bankruptcy - Filing Fee 2/1/2021 Filing of last set of 12 Voluntary Petitions at \$1,738 each, re: Yatsen, transaction # 10148615, on behalf of M. Lunn, by T. Bollman	1.00	20,856.00
03/02/21	American Express - Bankruptcy - Filing Fee 1/29/2021 Filing of 13 Voluntary Petitions at \$1,738 each, transaction #10146222, re: Yatsen, on behalf of M. Lunn, by T. Bollman	1.00	22,594.00
03/02/21	American Express - Bankruptcy - Filing Fee 1/30/2021 (2nd set) of 13 Voluntary Petitions at \$1,738 each, re: Yatsen, transaction #10147897, on behalf M. Lunn, by T. Bollman	1.00	22,594.00
<b>Total</b>			<b>\$282.00</b>

Alvarez & Marsal Canada

Invoice Date: March 5, 2021  
Invoice Number: 50022012  
Matter Number: 071031.1002

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**Cost Summary**

<b><u>Description</u></b>	<b><u>Amount</u></b>
Deposition/Transcript	126.10
Docket Retrieval / Search	13.60
Filing Fee	0.00
Reproduction Charges	132.40
Teleconference / Video Conference	9.90
<b>Total</b>	<b>\$282.00</b>

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Canada

Invoice Date: March 19, 2021  
Invoice Number: 50022462  
Matter Number: 071031.1002

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Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE THROUGH MARCH 18, 2021

Professional Services	\$	1,369.00
Disbursements	\$	<u>10.68</u>
Total Due This Invoice	\$	1,379.68

Remaining Trust Amount	\$	174,980.00
Unapplied Remaining	\$	(30.00)

Alvarez & Marsal Canada

Invoice Date: March 19, 2021  
Invoice Number: 50022462  
Matter Number: 071031.1002

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**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
03/05/21	MLUNN	Call with R. Tucker re: leases (.3); correspondence with P. Siddiqui (.1)	B001	0.40	338.00
03/08/21	MLUNN	Call with P. Siddiqui re: lease agreements (.5); and correspondence with T. Sandler and A. Hutchins (.3)	B001	0.80	676.00
03/15/21	BFELD	Emails with IRS re: Arsenal entity (.1) and J. Nevsky re: recognition order (.3)	B001	0.40	186.00
03/15/21	MLUNN	Review chapter 15 update for report to Canadian Court and related correspondence with B. Feldman (.1); correspondence with J. Nevsky re: DIP budget/forecast (.1)	B001	0.20	169.00
<b>Total</b>				<b>1.80</b>	<b>\$1,369.00</b>

Alvarez & Marsal Canada

Invoice Date: March 19, 2021  
Invoice Number: 50022462  
Matter Number: 071031.1002

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**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	0.40	465.00	186.00
MLUNN	Matthew B. Lunn	Partner	1.40	845.00	1,183.00
<b>Total</b>			<b>1.80</b>		<b>\$1,369.00</b>

**Task Summary**

<u>Task Code: B001</u>		<u>Case Administration</u>			
<u>Name</u>		<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew B. Lunn		Partner	1.40	845.00	1,183.00
Betsy L. Feldman		Associate	0.40	465.00	186.00
<b>Total</b>			<b>1.80</b>		<b>1,369.00</b>

Alvarez & Marsal Canada

Invoice Date: March 19, 2021  
Invoice Number: 50022462  
Matter Number: 071031.1002

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**Cost Detail**

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
02/10/21	Computerized Legal Research Westlaw Search by: BROOKS,JOSHUA	7.00	10.68
	<b>Total</b>		<b>\$10.68</b>

**Cost Summary**

<u>Description</u>	<u>Amount</u>
Computerized Legal Research	10.68
<b>Total</b>	<b>\$10.68</b>

# YOUNG CONAWAY STARGATT & TAYLOR, LLP

RODNEY SQUARE  
1000 NORTH KING STREET  
WILMINGTON, DELAWARE 19801

P.O. BOX 391  
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[mlunn@ycst.com](mailto:mlunn@ycst.com)

Alvarez & Marsal Canada, Inc.  
Royal Bank Plaza, South Tower 200  
Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J2J1  
Canada

Invoice Date:	April 28, 2021
Invoice Number:	50023933
Matter Number:	071031.1002

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Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE THROUGH APRIL 29, 2021

Professional Services	\$	3,219.50
Disbursements	\$	<u>2.70</u>
Total Due This Invoice	\$	3,222.20

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
03/17/21	MLUNN	Review summary of lease modification issues and plan considerations and correspondence with T. Sandler re: same	B001	0.20	169.00
03/30/21	MLUNN	Review Yorktown settlement order/agreement and analyze dismissal / final decree issues, including related correspondence	B001	0.40	338.00
04/01/21	BFELD	Emails with L. Heilman (.1) and P. Siddiqui (.1) re: Yatsen guarantee for non-debtor lease	B001	0.20	93.00
04/01/21	MLUNN	Review inquiry from L. Heilman re: SAR Nottingham and call with B. Feldman and follow-up correspondence	B001	0.40	338.00
04/07/21	MLUNN	Draft motion to close Yorktown case	B001	0.30	253.50
04/08/21	MLUNN	Correspondence with P. Siddiqui re: lease inquiry	B001	0.10	84.50
04/08/21	MLUNN	Further draft motion to close Yorktown case	B001	0.50	422.50
04/09/21	MLUNN	Correspondence with P. Siddiqui re: lease question	B001	0.10	84.50
04/12/21	MLUNN	Further draft motion for final decree / close SJ Yorktown	B001	0.90	760.50
04/15/21	MLUNN	Attention to motion for final decree re: SJ Yorktown	B001	0.30	253.50
04/19/21	MLUNN	Draft motion/order and correspondence re: SJ Yorktown case closing	B001	0.50	422.50
<b>Total</b>				<b>3.90</b>	<b>\$3,219.50</b>



Alvarez & Marsal Canada

Invoice Date: April 28, 2021  
Invoice Number: 50023933  
Matter Number: 071031.1002

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**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	0.20	465.00	93.00
MLUNN	Matthew B. Lunn	Partner	3.70	845.00	3,126.50
<b>Total</b>			<b>3.90</b>		<b>\$3,219.50</b>

**Task Summary**

**Task Code:B001**

**Case Administration**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew B. Lunn	Partner	3.70	845.00	3,126.50
Betsy L. Feldman	Associate	0.20	465.00	93.00
<b>Total</b>		<b>3.90</b>		<b>3,219.50</b>

Alvarez & Marsal Canada

Invoice Date:

April 28, 2021

Invoice Number:

50023933

Matter Number:

071031.1002

---

**Cost Detail**

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
02/01/21	Docket Retrieval / Search	1.00	0.10
02/01/21	Docket Retrieval / Search	3.00	0.30
02/01/21	Docket Retrieval / Search	2.00	0.20
02/01/21	Docket Retrieval / Search	1.00	0.10
02/18/21	Docket Retrieval / Search	4.00	0.40
02/18/21	Docket Retrieval / Search	2.00	0.20
02/19/21	Docket Retrieval / Search	1.00	0.10
02/23/21	Docket Retrieval / Search	2.00	0.20
02/23/21	Docket Retrieval / Search	1.00	0.10
02/23/21	Docket Retrieval / Search	2.00	0.20
03/01/21	Docket Retrieval / Search	2.00	0.20
03/01/21	Docket Retrieval / Search	6.00	0.60
<b>Total</b>			<b>\$2.70</b>

**Cost Summary**

<u>Description</u>	<u>Amount</u>
Docket Retrieval / Search	2.70
<b>Total</b>	<b>\$2.70</b>

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Alvarez & Marsal Canada, Inc.  
Royal Bank Plaza, South Tower 200  
Bay Street, Suite 2900  
P.O. Box 22  
Toronto, ON M5J2J1  
Canada

Invoice Date:	July 6, 2021
Invoice Number:	50025463
Matter Number:	071031.1002

---

Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE THROUGH JUNE 30, 2021

Professional Services	\$ <u>9,406.50</u>
Total Due This Invoice	\$ 9,406.50

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
06/01/21	MLUNN	Correspondence re: case update	B001	0.20	169.00
06/02/21	MLUNN	Correspondence with A. Hutchins	B001	0.20	169.00
06/03/21	MLUNN	Review/revise motion for final decree re: SJ Yorktown and related correspondence with Olser and A&M	B001	0.50	422.50
06/07/21	MLUNN	Revise motion for final decree; correspondence with Goodmans; correspondence with B. Feldman re: hearing	B001	0.40	338.00
06/08/21	BFELD	Emails with chambers and M. Lunn re: July hearing date	B001	0.10	46.50
06/08/21	MLUNN	Correspondence with B. Feldman re: July hearing date	B001	0.10	84.50
06/09/21	BFELD	Finalize for filing re: motion to close Yorktown Foods case	B001	0.10	46.50
06/09/21	MLUNN	Review comments to motion for final decree and related correspondence with P. Siddiqui (.2); revise motion for final decree and work with B. Feldman (.3)	B001	0.50	422.50
06/09/21	MLUNN	Correspondence with T. Sandler re: plan and claims process hearing; and analyze proposed timeline; correspondence with B. Feldman	B001	0.30	253.50
06/09/21	TBOLL	Prepare notice and finalize for filing motion to close case of SJ Yorktown	B001	0.50	155.00
06/09/21	TBOLL	Prepare and finalize for filing certification of counsel re: order scheduling hearing date	B001	0.50	155.00
06/10/21	MLUNN	Initial review of draft plan; review comments from Olser to draft plan; revise draft plan; correspondence with Olser and A&M re: plan and timeline	B001	1.30	1,098.50
06/14/21	MLUNN	Correspondence with Olser re: plan timeline; research recognition issues re: claims procedures and sanction order; review lease modification agreement	B001	0.70	591.50
06/15/21	MLUNN	Review draft pleadings re: extension of stay	B001	0.40	338.00
06/16/21	BFELD	Call with M. Lunn re: recognition of claims process and sanction process	B001	0.10	46.50

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
06/22/21	MLUNN	Call with M. Kramer re: Valley Hill Lease and lender/receiver	B001	0.20	169.00
06/24/21	MLUNN	Review pleadings in connection with stay extension request, including review of Monitor report (.5); analyze issues re: recognition of sanction order and claims order (.3)	B001	0.80	676.00
06/25/21	MLUNN	Review proposed plan and creditor meeting timeline and correspondence with T. Sandler	B001	0.30	253.50
06/28/21	MLUNN	Call with T. Sandler re: timeline; Review/analyze claims procedure recognition issues and correspondence with B. Feldman; review order extending stay and related correspondence	B001	0.70	591.50
06/28/21	MLUNN	Correspondence with M. Kramer; research and review lease; and correspondence with P. Siddiqui re: Valley Mall lease	B001	0.40	338.00
06/29/21	MLUNN	Correspondence with T. Sandler re: CPO and Meeting Order and correspondence with B. Feldman re: same	B001	0.30	253.50
06/29/21	MLUNN	Correspondence with P. Siddiqui and correspondence with M. Kramer re: Valley Mall lease	B001	0.20	169.00
06/30/21	MLUNN	Research issues and call; analyze and draft revised timeline; correspondence with Olser and A&M	B001	3.10	2,619.50
<b>Total</b>				<b>11.90</b>	<b>\$9,406.50</b>

Alvarez & Marsal Canada

Invoice Date: July 6, 2021  
Invoice Number: 50025463  
Matter Number: 071031.1002

---

**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	0.30	465.00	139.50
MLUNN	Matthew B. Lunn	Partner	10.60	845.00	8,957.00
TBOLL	Troy Bollman	Paralegal	1.00	310.00	310.00
<b>Total</b>			<b>11.90</b>		<b>\$9,406.50</b>

**Task Summary**

**Task Code:B001**

**Case Administration**

<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Matthew B. Lunn	Partner	10.60	845.00	8,957.00
Betsy L. Feldman	Associate	0.30	465.00	139.50
Troy Bollman	Paralegal	1.00	310.00	310.00
<b>Total</b>		<b>11.90</b>		<b>9,406.50</b>

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Alvarez & Marsal Canada, Inc.  
Royal Bank Plaza, South Tower 200  
Bay Street, Suite 2900  
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Toronto, ON M5J2J1  
Canada

Invoice Date: August 5, 2021  
Invoice Number: 50026280  
Matter Number: 071031.1002

Re: Yatsen Group of Companies, Inc.

## CURRENT INVOICE JULY 1, 2021 THROUGH JULY 31, 2021

Professional Services	\$	16,851.50
Disbursements	\$	<u>38.80</u>
Total Due This Invoice	\$	16,890.30

**Time Detail**

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/01/21	BFELD	Emails with IRS (.1) and J. Nevsky (.1) re: unfiled tax returns for Heap Japanese Food debtor	B001	0.20	93.00
07/01/21	MLUNN	Review lease modification settlement agreements	B001	0.30	253.50
07/06/21	BFELD	Emails with IRS representative re: US corporate tax returns for lead debtor	B001	0.30	139.50
07/06/21	BFELD	Confer with M. Lunn re: timing for filing motions to recognize	B001	0.10	46.50
07/06/21	MLUNN	Attention to claims and meeting order and sanction order timeline and related correspondence and revise timeline	B001	0.90	760.50
07/06/21	MLUNN	Meeting with B. Feldman re: CPO and meeting order recognition and sanction order recognition motions	B001	0.30	253.50
07/07/21	MLUNN	Review lease modification agreement; correspondence with P. Siddiqui	B001	0.30	253.50
07/08/21	MLUNN	Correspondence and call with P. Siddiqui re: sanction hearing timeline (.8); and follow up with Osler and A&M (.1)	B001	0.90	760.50
07/09/21	MLUNN	Review declaration in support of meeting order and claims procedure order; correspondence with B. Feldman re: same	B001	0.70	591.50
07/09/21	MLUNN	Correspondence re: timeline and proposed call to address same	B001	0.10	84.50
07/12/21	BFELD	Emails with J. Nevsky and IRS representative re: US tax returns	B001	0.10	46.50
07/13/21	BFELD	Review docket and CNO re: motion to close cases	B001	0.10	46.50
07/13/21	MLUNN	Review/analyze timeline for CPO and MO; further review affidavit, including comments from Osler; call with company and monitor advisors; correspondence with B. Feldman re: recognition motion; correspondence with T. Bollman re: motion to close SJ Yorktown	B001	1.40	1,183.00
07/13/21	TBOLL	Prepare and finalize for filing certificate of no objection re: motion to close the SJ Yorktown case, and update and upload related order	B001	0.50	155.00



<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/14/21	MLUNN	Work with B. Feldman re: recognition motion for claims procedure order and meeting order; correspondence with Osler and A&M re: timing issues	B001	0.30	253.50
07/15/21	BFELD	Research and draft recognition motions re: claims procedure order and meeting order	B001	1.10	511.50
07/15/21	MLUNN	Review revised timeline; correspondence with Osler and A&M; and correspondence with B. Feldman re: same	B001	0.40	338.00
07/16/21	MLUNN	Correspondence with T. Bollman re: order closing SJ Yorktown case	B001	0.10	84.50
07/16/21	TBOLL	Prepare docket update for the working group and download related pleadings	B001	0.10	31.00
07/20/21	BFELD	Research re: recognition motions for meeting order and claims procedure order	B001	0.50	232.50
07/22/21	BFELD	Finalize for filing re: notice of canceled hearing	B001	0.10	46.50
07/22/21	TBOLL	Prepare and finalize for filing notice of canceled hearing on July 28, 2021	B001	0.40	124.00
07/26/21	MLUNN	Attention to CPO / Meeting order timing and hearing dates, including correspondence with B. Feldman; correspondence with chambers	B001	0.30	253.50
07/27/21	MLUNN	Correspondence with P. Siddiqui re: claims procedure and meeting order; correspondence with T. Sandler and A. Hutchens re: same; attention to recognition motion for claims procedure and meeting order; review draft of 5th Report of Monitor; review revised affidavit in support of claims procedure and meeting orders, including correspondence with D. Rosenblat; draft motion to recognize claims procedure order; draft motion to recognize meeting order	B001	4.30	3,633.50
07/28/21	MLUNN	Draft/revise motion to recognize meeting order; correspondence re: timing and status	B001	1.60	1,352.00
07/29/21	MLUNN	Review revised drafts of claims process order; correspondence with chambers re: hearing dates; correspondence with Goodmans, Osler and A&M re: hearing dates; correspondence re: agreement with Brookfield	B001	2.20	1,859.00

Alvarez & Marsal Canada

Invoice Date:

August 5, 2021

Invoice Number:

50026280

Matter Number:

071031.1002

---

<u>Date</u>	<u>Initials</u>	<u>Description</u>	<u>Task</u>	<u>Hours</u>	<u>Amount</u>
07/30/21	MLUNN	Review revised meeting order and draft/revise motion to recognize meeting order	B001	2.30	1,943.50
07/30/21	MLUNN	Further draft and revise motion to recognize claims procedure order	B001	1.60	1,352.00
07/31/21	MLUNN	Correspondence with Osler and A&M; correspondence with Goodmans and Katten re recognition motions	B001	0.20	169.00
<b>Total</b>				<b>21.70</b>	<b>\$16,851.50</b>

Alvarez & Marsal Canada

Invoice Date: August 5, 2021  
Invoice Number: 50026280  
Matter Number: 071031.1002

---

**Timekeeper Summary**

<u>Initials</u>	<u>Name</u>	<u>Timekeeper Title</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
BFELD	Betsy L. Feldman	Associate	2.50	465.00	1,162.50
MLUNN	Matthew B. Lunn	Partner	18.20	845.00	15,379.00
TBOLL	Troy Bollman	Paralegal	1.00	310.00	310.00
<b>Total</b>			<b>21.70</b>		<b>\$16,851.50</b>

Alvarez & Marsal Canada

Invoice Date: August 5, 2021  
Invoice Number: 50026280  
Matter Number: 071031.1002

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**Task Summary**

**Task Code:B001**

**Case Administration**

<b><u>Name</u></b>	<b><u>Timekeeper Title</u></b>	<b><u>Hours</u></b>	<b><u>Rate</u></b>	<b><u>Amount</u></b>
Matthew B. Lunn	Partner	18.20	845.00	15,379.00
Betsy L. Feldman	Associate	2.50	465.00	1,162.50
Troy Bollman	Paralegal	1.00	310.00	310.00
<b>Total</b>		<b>21.70</b>		<b>16,851.50</b>

Alvarez & Marsal Canada

Invoice Date:

August 5, 2021

Invoice Number:

50026280

Matter Number:

071031.1002

---

**Cost Detail**

<u>Date</u>	<u>Description</u>	<u>Quantity</u>	<u>Amount</u>
07/13/21	Photocopy Charges Duplication BW	33.00	6.60
07/13/21	Color Photocopy Charges Duplication Color	3.00	2.40
07/15/21	Photocopy Charges Duplication BW	12.00	2.40
07/15/21	Photocopy Charges Duplication BW	10.00	2.00
07/27/21	Photocopy Charges Duplication BW	32.00	6.40
07/27/21	Photocopy Charges Duplication BW	38.00	7.60
07/29/21	Photocopy Charges Duplication BW	14.00	2.80
07/29/21	Photocopy Charges Duplication BW	15.00	3.00
07/29/21	Photocopy Charges Duplication BW	28.00	5.60
<b>Total</b>			<b>\$38.80</b>

Alvarez & Marsal Canada

Invoice Date: August 5, 2021  
Invoice Number: 50026280  
Matter Number: 071031.1002

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**Cost Summary**

<u>Description</u>	<u>Amount</u>
Reproduction Charges	38.80
<b>Total</b>	<b>\$38.80</b>

**THIS IS EXHIBIT "2"**  
**TO THE AFFIDAVIT OF MATTHEW B. LUNN**  
**SWORN BEFORE ME THIS 9<sup>th</sup> DAY OF SEPTEMBER, 2021**



Notary Public

DEBBIE ELLEN LASKIN  
NOTARY PUBLIC  
STATE OF DELAWARE  
My Commission Expires October 7, 2024

**EXHIBIT "2"**  
**ALVAREZ & MARSAL CANADA INC., COURT-APPOINTED MONITOR OF**  
**YATSEN GROUP OF COMPANIES INC., ET AL**  
**(January 22, 2021 to July 31, 2021)**

<b>Staff Member</b>	<b>Title</b>	<b>Total Hours</b>	<b>Rate (\$USD)</b>	<b>Amount Invoiced (\$USD)</b>
Michael R. Nestor	Partner	8.5	1025.00	8,712.50
Matthew B. Lunn	Partner	66.1	845.00	55,854.50
Betsy L. Feldman	Associate	22.3	465.00	10,369.50
Joshua Brooks	Associate	37.5	400.00	15,000.00
Troy Bollman	Paralegal	20.0	310.00	6,200.00
<b>Total Fees (excl. Disbursements and HST)</b>		<b>154.4</b>	<b>Avg Rate \$622.65</b>	<b>\$ 96,136.50</b>



## **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.

**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 APPENDIX “A”**

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

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

Proceeding commenced at Toronto

**SIXTH REPORT OF THE MONITOR**

OSLER, HOSKIN & HARCOURT LLP  
1 First Canadian Place, P.O. Box 50  
Toronto, ON M5X 1B8

Tracy Sandler – LSO# 32443N  
Dave Rosenblat – LSO# 64586K

Tel: (416) 362-2111  
Fax: (416) 862-6666

Lawyers for the Monitor