

52 WELLNESS CENTRE INC. – IN RECEIVERSHIP

FINAL REPORT OF THE RECEIVER

ESTATE NO. 25-095330

Subsection 246(3) of the Bankruptcy and Insolvency Act

BACKGROUND

On September 16, 2022, the Court of King's Bench of Alberta (the "**Court**") granted an Order (the "**Receivership Order**") appointing MNP Ltd. as receiver and manager (the "**Receiver**") of all of the current and future assets, undertakings and property of 52 Wellness Centre Inc. (the "**Company**") and four related entities known as Faissal Mouhamad Professional Corporation, Delta Dental Corp., 52 Dental Corporation and Michael Dave Management Ltd.

A copy of Receivership Order as well as other publicly available documents in these proceedings can be found on the Receiver's website at: <https://mnpdebt.ca/en/corporate/corporate-engagements/fmpc>.

ASSETS

The only asset in the receivership proceedings of the Company was a commercial real estate property, legally described as Plan 9910835, Block 39, Lot 1 excepting thereout all mines and minerals (the "**52 Building**"). As previously reported, the sale of the 52 Building was approved pursuant to an Order granted by the Court on January 11, 2023, and the corresponding sale has been completed.

INTERIM STATEMENTS OF RECEIPTS AND DISBURSEMENTS

The Receiver's Final Statements of Receipts and Disbursements for the Company is attached hereto.

CONCLUSION

On May 8, 2023, the Court granted an Order (52 Wellness Fee Allocation, Final Distributions and Discharge) discharging the Receiver in respect of the Company (the "**Discharge Order**"), subject only to the Receiver completing some administrative tasks and filing its discharge certificate (the "**Discharge Certificate**"). The Discharge Order also approved the Receiver making final distributions, as set out in the Seventh Report of the Receiver dated May 1, 2023.

The Discharge Certificate was filed with the Court on January 30, 2024. The administration of the receivership for the Company has now been completed.

Dated at Calgary, Alberta this 30th day of January 2024.

MNP Ltd., in its capacity as the Receiver and Manager
of 52 Wellness Centre Inc. and not in its personal or
corporate capacity



Vanessa Allen, CIRP, LIT
Senior Vice President

52 Wellness Centre Inc. ("52 Wellness")
Receiver's Final Statement of Receipts and Disbursements
For the Period From September 16, 2022 to January 30, 2024

		<u>Notes</u>
Receipts:		
Sale of assets	\$ 1,912,687	1
Rent collected	105,299	2
GST collected	4,257	
Miscellaneous receipts	8,413	
Total receipts:	2,030,655	
Disbursements:		
Distribution to The Bank of Nova Scotia	1,692,797	3
Receiver's fees and disbursements	133,924	4
Receiver's legal fees and disbursements	71,941	5
Commission	58,050	6
Utilities	22,889	
GST paid	18,680	
Operating expenses	13,072	
Distribution to Dr. Ghalib Hadi	10,019	3
Appraisal	4,000	
Distribution to Canada Revenue Agency	2,679	3
Property management	2,172	
Miscellaneous disbursements	432	
Total disbursements:	2,030,655	
Net available cash:	\$ -	

Notes - general:

1. On September 16, 2022, the Court of King's Bench of Alberta (the "Court") granted a Receivership Order appointing MNP Ltd. as Receiver and Manager over all of the current and future assets, undertakings and property of 52 Wellness.
2. On May 8, 2023, the Court granted an Order (52 Wellness Fee Allocation, Final Distributions and Discharge) discharging the Receiver in respect of 52 Wellness, subject only to the Receiver completing some administrative tasks and filing its discharge certificate (the "Discharge Certificate"). The Discharge Certificate was filed with the Court on January 30, 2024.

Notes - specific:

1. Represents the net sale proceeds from the sale of a building located at 3505 52 Street SE in Calgary, Alberta (the "52 Building"), which houses four commercial tenants. The Sale of the 52 Building was approved by the Court pursuant to an Order granted on January 11, 2023.
2. Represents rent paid to the Receiver by tenants of the 52 Building. Veranova Properties ("Veranova") was providing property management services for the 52 Building. Some tenants paid rent directly to Veranova, who remitted the net balance after payment of property taxes and operating expenses to the Receiver. Includes per-diem rent payable from 52 Dental, who occupies unit 100, for the post-receivership period, which was calculated based on an opinion on the market lease rate prepared by Newmark Knight Frank Canada Ltd.

52 Wellness Centre Inc. ("52 Wellness")
Receiver's Final Statement of Receipts and Disbursements
For the Period From September 16, 2022 to January 30, 2024

3. Represents distributions to secured lenders/ priority creditors, as approved pursuant to Orders granted by the Court on January 11, 2023 and
4. Represents the professional fees and disbursements of the Receiver to complete the administration of the receivership.
5. Represents the professional fees and disbursements of the Receiver's legal counsel, McMillan LLP to complete the administration of the receivership.
6. Represents the amount payable to NAI Commercial Real Estate Inc. for commission on the sale of the 52 Building.