COURT FILE NO. S-246877
VANCOUVER REGISTRY
ESTATE NO. 11-254796

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE RECEIVERSHIP OF

MANNA INDUSTRIAL FUND (VALUE-ADD) LIMITED PARTNERSHIP, MANNA INDUSTRIAL FUND (VALUE-ADD) GP CORP, 1578199 B.C. LTD., GENESIS MANNA HOLDINGS LTD. AND ALLION HOLDINGS LTD.

THIRD REPORT OF THE RECEIVER

AUGUST 31, 2026

FTI CONSULTING

THIRD REPORT OF THE RECEIVER

Table of Contents

INTRODUCTION

1. On May 8, 2025 (the "**Receivership Date**") FTI Consulting Canada Inc. ("**FTI**" or the "**Receiver**") was appointed as receiver, without security, over:

   a. the real property legally described as:

      PID: 024-66-947
      Lot 6 Section Township 20 Osoyoos Division Yale District Plan KAP65805 including all rents and leases relating thereto (the "**Jim Bailey Property**");

   b. the real property legally described as:

      PID: 023-839-171
      Lot D Section 2 Township 20 Osoyoos Division Yale District Plan KAP59703 including all rents and leases relating thereto, (the "**Potterton Property**", and together with the Jim Bailey Property, the "**Real Property**");

   c. all present and after-acquired personal property of Manna Industrial Fund (Value-Add) Limited Partnership ("**Manna LP**"), Manna Industrial Fund (Value-Add) GP Corp. ("**Manna GP**"), Genesis Manna Holdings Ltd. ("**Genesis**") and Allion Holdings Ltd. ("**Allion**" and collectively, the "**Limited Receivership Entities**" or "**Manna**") used in relation to the Real Property;

   d. all assets, and undertakings of 8826 Jim Bailey Ltd. (the "**Jim Bailey Nominee**") and 375 Potterton Ltd. (the "**Potterton Nominee**", together with the Jim Bailey Nominee, the "**Nominees**" and the Nominees, together with the Limited Receivership Entities, the "**Debtors**");

   e. all shares in the capital stock of the Jim Bailey Nominee and the Potterton Nominee; and

f. any other assets, undertakings, or property of the Debtors located on or relating to the Real Property.

2. The Real Property is comprised of two income producing industrial warehouse buildings totaling approximately 266,000 square feet of net rental industrial space and situated on 14 acres of land in Kelowna, BC.

3. The senior secured lenders in relation to the Real Property were National Bank of Canada ("**NBC**") and Institutional Mortgage Capital Canada Inc. ("**IMC**") (collectively, the "**Secured Lenders**"). As at the Receivership Date, NBC and IMC were owed approximately \$26.8 million and \$17.5 million, respectively.

4. On December 10, 2025, this Honourable Court granted an order (the "**RVO**") that, among other things, approved a sale transaction (the "**Nanite Transaction**") contemplated by the Share Purchase Agreement dated November 14, 2025 between the Receiver and Nanite International Holding Ltd. and Nanite King George Limited Partnership ("**Nanite LP**" and collectively, "**Nanite**") in relation to the Real Property, which resulted in net sale proceeds of approximately \$43.0 million.

5. On February 12, 2026, on the application of IMC, this Honourable Court granted an order amending the Receivership Order to include, among other things:

   a. the appointment of the Receiver of all the right, title and interest of Manna LP in and to Manna Industrial Brampton Limited Partnership (the "**Brampton LP Property**");

   b. the direction to Poulus Ensom Smith LLP ("**Poulus**") to transfer any funds received from Folger Rubinoff LLP in connection with the Brampton LP Property to the Receiver; and

   c. the authorization for the Receiver to voluntarily assign Manna LP into bankruptcy pursuant to section 49 of the *Bankruptcy and Insolvency Act*.

6. On February 17, 2026, the Nanite Transaction closed. As contemplated by the RVO, a new corporation, 1578199 B.C. Ltd. ("**Residual Co**"), was incorporated in connection with the Nanite Transaction and was substituted as a respondent in these proceedings in place of the Nominees.

7. On February 23, 2026, the Receiver collected approximately $8.9 million (the "**Brampton LP Proceeds**") from Poulus in connection with the proceeds related to the Brampton LP Property.

8. On March 2, 2026, the Receiver filed the required documents with the Office of the Superintendent of Bankruptcy to voluntarily assign Manna LP into bankruptcy.

9. On March 10, 2026, this Honourable Court granted the following:

    a. an order (the "**Real Property Proceeds Distribution Order**") which authorized and directed the Receiver to distribute the remaining net proceeds of the sale of the Real Property to the Secured Lenders in accordance with their relative priorities and discharged the Receiver in these proceedings as it relates to Genesis and Allion; and

    b. an order which approved the activities, fees and disbursements of the Receiver and its legal counsel, Blake, Cassels & Graydon LLP ("**BCG**") through February 28, 2026.

10. On March 12, 2026, a distribution of approximately $27.4 million was made to NBC, which repaid NBC in full, and a distribution of approximately $17.0 million was made to IMC, each in accordance with the Real Property Proceeds Distribution Order. IMC has a remaining claim of approximately $2.1 million, which the Receiver understands to be an unsecured claim against Manna LP.

11. The Brampton LP Proceeds are the sole remaining asset subject to these receivership proceedings.

12. The Receiver intends to file a notice of application seeking an order (the "**Distribution Order**") authorizing the Receiver to distribute funds to 13531953 Canada Inc. ("**135 Canada**") on the basis of its review of creditor entitlements to the Brampton LP Proceeds.

PURPOSE

13. The purpose of this Third Report is to provide this Honourable Court and Manna's stakeholders with information with respect to the following:

    a. the activities of the Receiver since the Second Report of the Receiver dated March 3, 2026;

    b. a summary of the secured claims filed against Manna LP (the "**Manna LP Secured Claims**");

    c. a summary of the independent review 135 Canada's security prepared by BCG;

    d. the Receiver's application for the Distribution Order;

    e. the Receiver's interim statement of cash receipts and disbursements (the "**Interim R&D**"); and

    f. the Receiver's conclusions and recommendations.

TERMS OF REFERENCE

14. In preparing this report, the Receiver has relied upon information available to the Receiver and, where appropriate, discussions with various parties (collectively, the "**Information**").

15. Except as described in this report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that

would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.

16. The Receiver has not examined or reviewed financial forecasts and projections referred to in this report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

17. Future oriented financial information reported to be relied on in preparing this report is based on Management's assumptions regarding future events. Actual results may vary from forecast and such variations may be material.

18. Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars. Capitalized terms not otherwise defined are as defined in the Receivership Order.

RECEIVER'S ACTIVITIES

19. Since the date of the Second Report, the Receiver's activities have included, among other things, the following:

    a. attending to matters related to the Nanite Transaction following the approval of the RVO, including, among other things:

        i. corresponding with Nanite's counsel with respect to a joint direction and release relating to credits available to one of the tenants as a result of overpayments made in previous years; and

        ii. corresponding with Avison Young ("**AY**"), the property manager of the Real Property, to assist with transition matters;

    b. reviewing the Manna LP Secured Claims and corresponding with the claimants regarding same;

c. reviewing legal analysis and corresponding with BCG in respect of the Manna LP Secured Claims; and

d. preparing this Third Report.

MANNA LP SECURED CLAIMS

20. No formal claims process has been conducted in these receivership proceedings. Following the bankruptcy of Manna LP, on March 9, 2026, FTI, in its capacity as trustee in bankruptcy of Manna LP, circulated a notice of bankruptcy, statement of affairs and proof of claim package to all known creditors of Manna LP, and creditors have filed proofs of claim in accordance therewith. FTI, in its capacity as Receiver, has reviewed the secured claims filed for the purposes of determining the creditors' respective entitlements to the Brampton LP Proceeds.

21. Three parties have filed proofs of claim asserting secured claims against Manna LP:

a. 135 Canada, in the amount of approximately $1.5 million, plus interest, as at March 2, 2026;

b. Nanite LP in the amount of approximately $17.6 million, plus interest, as at March 2, 2026; and

c. Allion in the amount of approximately $6.9 million, plus interest, as at March 2, 2026.

22. The total quantum of the Manna LP Secured Claims significantly exceeds the Brampton LP Proceeds. The Receiver understands that Nanite LP and Allion each dispute all or a portion of the other's secured claim on various grounds. The Receiver anticipates that resolution of those parties' respective secured claims may require determinations by the Court.

SECURITY OPINION

23. Registrations in the British Columbia and/or Ontario Personal Property Security Registries (collectively, the "**PPR**") were made by the above parties in the following sequence:

    a. Nanite LP, on October 11, 2024, which registration relates to a Unit Pledge Agreement securing a portion of Nanite LP's claim in the amount of approximately $1.5 million, plus interest, as at March 2, 2026 ("**Nanite's Unit Pledge Claim**");

    b. 135 Canada on December 31, 2024;

    c. Allion on April 9, 2025; and

    d. Nanite LP, on September 18, 2025.

24. The Receiver's legal counsel has completed an independent review of the security held by 135 Canada over the personal property of Manna LP. BCG has opined that the security held by 135 Canada creates a valid and enforceable security interest, subject to standard qualifications and assumptions, and is registered in priority to the other Manna LP Secured Claims, other than Nanite's Unit Pledge Claim.

DISTRIBUTION ORDER

25. The Distribution Order seeks authorization for the Receiver to make a distribution from the Brampton LP Proceeds to 135 Canada. The Receiver is of the view that it is appropriate to make a distribution to 135 Canada at this time in order to prevent further interest from accruing pending resolution of the other secured claims.

26. 135 Canada's secured claim was registered in the PPR after Nanite's Unit Pledge Claim. The proposed distribution to 135 Canada will not prejudice Nanite LP as the remaining cash in the estate totals approximately $9.0 million and is sufficient to satisfy both 135

Canada's secured claim and Nanite's Unit Pledge Claim, should Nanite's Unit Pledge Claim ultimately be determined to be valid.

INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. The Receiver's Interim R&D for the period ended August 7, 2026, is summarized below:

Interim Statement of Receipts and Disbursements For the period ended August 7, 2026 ($000s)		
Receipts		
Sale Proceeds (net of commission)	$	42,955
Brampton LP Proceeds		8,944
Rental income		3,124
Cash on hand		646
Receiver's Certificates		250
Interest		90
Total Receipts		**56,009**
Disbursements		
Operating expenses		323
GST remittances		94
Property tax		959
Repayment of Receiver's Certificates		251
Distribution to Secured Lenders		44,415
Receiver's Fees and Disbursements		569
Receiver's Legal Fees and Disbursements		356
Total Disbursements		**46,967**
Net Cash on Hand	**$**	**9,042**

28. The key components of the Interim R&D are as follows:

  a. the collection of sale proceeds of approximately $43.0 million, net of commissions and adjustments, related to the sale of the Real Property;

  b. the Brampton LP Proceeds relate to the approximately $8.9 million collected on February 23, 2026 from Poulus;

c. approximately $3.1 million in rental income from the Real Property through February 28, 2026;

d. cash on hand of approximately $646,000 relates to net rents collected prior to the receivership date and remitted to the Receiver by AY;

e. Receiver Borrowings of $251,000 were repaid on July 18, 2025;

f. property taxes of approximately $499,000 and $460,000 for the Potterton Property and Jim Bailey Property, respectively, were paid on June 16, 2025, representing amounts owing for 2024 and 2025;

g. approximately $27.4 million and $17.0 million was repaid to NBC and IMC, respectively, pursuant to the Real Property Proceeds Distribution Order; and

h. operating expenses include AY, insurance, certain maintenance repairs to the roof and walls, utilities and cleaning services related to the Real Property.

29. The remaining cash on hand relates primarily to the Brampton LP Proceeds collected in February 2026 plus accrued interest.

RECEIVER'S CONCLUSIONS AND RECOMMENDATIONS

30. The proposed Distribution Order authorizes the Receiver to address 135 Canada's secured claim and prevent further interest from accruing on that claim, while preserving the potential priorities of the remaining unresolved Manna LP Secured Claims.

31. Based on the foregoing, the Receiver respectfully requests that this Honourable Court grant the Distribution Order.

*****

All of which is respectfully submitted this 31st day of August, 2026.

FTI Consulting Canada Inc.
in its capacity as Receiver of Manna
and not in its personal or corporate capacity

Tom Powell
Senior Managing Director

Mike Clark
Managing Director