

Court File No.: CV-25-00739279-00CL

**ONTARIO SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

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

**AND IN THE MATTER OF A PLAN OF COMPROMISE
OR ARRANGEMENT OF 1001270243 ONTARIO INC.**

**SUPPLEMENTAL REPORT TO THE FOURTH REPORT OF THE MONITOR
RICHTER INC.**

October 24, 2025

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1.0 DEFINED TERMS

- 1.1 This report is a supplemental report to the Fourth Report (the “**Fourth Report**”) of the Monitor dated July 28, 2025 (the “**Supplemental Report**”) and should be read in conjunction with the Fourth Report and is subject to the restrictions and limitation described therein. For further information, all other reports filed by the Monitor in the within proceeding can are available on the Monitor’s case website at: <https://www.richter.ca/insolvencycase/synaptive-medical-inc/>.

2.0 INTRODUCTION

- 2.1 On March 19, 2025, Synaptive Medical Inc. (“**Synaptive**”, or the “**Company**”) was granted protection under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”) pursuant to an initial order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”). The proceedings commenced by Synaptive under the CCAA are referred to herein as the “**CCAA Proceedings**”. On March 26, 2025, the Court granted the Amended and Restated Initial Order.
- 2.2 Following the conclusion of a sale and investor solicitation process, Synaptive was sold pursuant to a subscription agreement dated June 12, 2025 and an approval and reverse vesting order (the “**ARVO**”) granted by the Court on June 18, 2025. The RVO Transaction (as defined below) closed on June 26, 2025. Pursuant to the terms of the ARVO, on the closing of the RVO Transaction, 1001270243 Ontario Inc. (“**ResidualCo**”) was added as an Applicant, and Synaptive was removed as an Applicant, in the CCAA Proceedings.

3.0 PURPOSE OF THIS REPORT

- 3.1 The purpose of this Supplemental Report is to provide the Court with a statement of additional facts and clarifications provided by Synaptive, ResidualCo and the Monitor in response to written questions posed by the Attorney General of Canada. The additional facts and clarifications pertain to the relief sought by Synaptive and ResidualCo in respect of the *Wage Earner Protection Program Act* entitlements of certain former employees of Synaptive which is scheduled to be heard by this Court on November 12, 2025.

4.0 TERMS OF REFERENCE AND DISCLAIMER

- 4.1 In preparing this Supplemental Report, Richter, in its capacity as the Monitor, has been provided with, and has relied upon, unaudited financial information, books and records, and financial information prepared by Synaptive and has held discussions with management of Synaptive and its legal counsel (collectively, the “**Information**”). Except as otherwise described in this Supplemental Report:

- a. 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 (“**CAS**”) 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 CAS in respect of the Information; and

- b. some of the information referred to in this Supplemental 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.

4.2 Future-oriented financial information referred to in this Supplemental Report was prepared based on Synaptive'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.

4.3 Capitalized terms used and not defined in this Supplemental Report have the meanings given to them in the Fourth Report.

4.4 Unless otherwise stated, all monetary amounts contained herein are expressed in Canadian dollars.

5.0 ADDITIONAL INFORMATION

5.1 Set out below are the agreed additional facts and clarifications provided by the Monitor to Attorney General of Canada:

- a. Prior to March 19, 2025 (the commencement of the CCAA Proceedings) and during the CCAA Proceedings, Synaptive terminated two leased spaces and reduced its employee base.
- b. As of March 14, 2025, Synaptive had 137 employees, all of whom earned income in Canada.

- c. The sale of shares in Synaptive to a purchaser closed on June 26, 2025 (the “**RVO Transaction**”).
- d. Synaptive retained 81 employees, whose employment continued, following the closing of the RVO Transaction.
- e. ResidualCo made an assignment for the benefit of its creditors under the *Bankruptcy and Insolvency Act* on September 3, 2025.
- f. Between March 14, 2025, and June 26, 2025, of the 137 employees of Synaptive earning income in Canada:
 - (a) 48 were terminated;
 - (b) 8 resigned; and
 - (c) 81 were retained by Synaptive following the closing of the RVO Transaction (the “**Retained Employees**”).
- g. The Monitor is not aware of any employees of Synaptive being terminated after June 26, 2025. The decision for Synaptive to retain or to not retain any particular Retained Employee was made by the purchaser in accordance with the subscription agreement.
- h. The Monitor’s employee claims register (located at Exhibit ‘K’ of the Further Amended Motion Record of Synaptive dated October 17, 2025) lists 53 former employees of Synaptive and a summary of their employment-related claims. 5 of those 53 employees voluntarily left Synaptive.

- i. The Monitor is aware that some of the 53 employees (referenced immediately above) have made an application for a WEPP payment.
- j. The Monitor understands that none of the Retained Employees have made an application for a WEPP payment.

Richter Inc., solely in its capacity as
Monitor of 1001270243 Ontario Inc.
and not in its personal or corporate
capacity

Per: _____


Karen Kimel
Senior Vice-President

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COMMERCIAL LIST

Proceeding commenced at Toronto

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REPORT OF THE
MONITOR**

McMillan LLP
Brookfield Place
Suite 4400, 181 Bay Street
Toronto ON M5J 2T3

Tushara Weerasooriya LSO#: 51186K
tushara.weerasooriya@mcmillan.ca
Tel: 416.865.7890

Stephen Brown-Okruhlik LSO#: 66576P
stephen.brown-okruhlik@mcmillan.ca
Tel: 416.865.7043

Lawyers for the Monitor