



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-25-00743383-00CL DATE: AUG. 8, 2025

NO. ON LIST: 3

TITLE OF PROCEEDING: HAKIM OPTICAL LABORATORY LIMITED et al

BEFORE: JUSTICE J. DIETRICH

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Jamie Emst	Lawyers for the Applicant, Hakim Optical Laboratory Limited / Lawrence Ophthalmic Lab Inc. / Hakim Worldwide Lenses Inc.	ernstj@bennettjones.com
Jesse Mighton		mightonj@bennettjones.com

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info

Or Other, Self-Represented Party:

Name of Person Appearing	Name of Party	Contact Info
Jordan Wong - Court Appointed	KSV Restructuring	jwong@ksvadvisory.com
Mitch Vininsky, Court Appointed Monitor		mvininsky@ksvadvisory.com
Maurice Fleming	DIP Lender	mfleming@LN.Law
George Benchetrit	Monitor	george@chaitons.com

ENDORSEMENT OF JUSTICE J. DIETRICH:

- [1] Hakim Optical Laboratory Limited, Lawrence Ophthalmic Lab Inc. and Hakim Optical Worldwide Lenses Inc. (collectively, the “**Applicants**” or the “**Company**”) seek an order (the “**Stay Extension and DIP Amendment Order**”), pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”), which, among other things:
- (a) extends the Stay of Proceedings to and including August 29, 2025 (the “**Stay Extension**”);
 - (b) approves the First Amending Agreement dated August 5, 2025 (the “**DIP Amendment**”), which, among other things increases the maximum principal amount that may be drawn under the DIP Facility (as defined below) from \$2.8 million to \$4.2 million;
 - (c) increases the quantum of the DIP Lender’s Charge (as defined in the Amended and Restated Initial Order of this Court dated June 27, 2025 (the “**ARIO**”)) to \$4.2 million plus interest accrued and unpaid interest, fees and expenses payable in accordance with the DIP Agreement (as defined below); and
 - (d) approves the Supplement to the First Report of KSV Restructuring Inc. (“**KSV**”), in its capacity as the monitor of the Applicants (in such capacity, the “**Monitor**”) dated July 8, 2025 (the “**Supplemental Report**”), the Second Report of the Monitor dated August 6, 2025 (the “**Second Report**”, and together with the Supplemental Report, the “**Reports**”), and the activities of the Monitor described therein.
- [2] No opposition was raised to the relief sought by the Applicants today.
- [3] Defined terms used but not defined herein have the meaning provided for in the factum of the Applicants filed for use on this hearing.
- [4] On May 15, 2025, the Applicants obtained the Initial Order which continued the previous NOI Proceedings. Among other things, the Initial Order approved the Applicants’ ability to borrow under a debtor-in-possession credit facility (the “**DIP Facility**”), up to a principal amount of \$2.8 million, pursuant to a binding commitment letter dated May 8, 2025 (the “**DIP Agreement**”) with 1001112855 Ontario Inc., as lender (in such capacity, the “**DIP Lender**”).
- [5] The Applicants, the Monitor and an affiliate of the DIP Lender (the “**Stalking Horse Bidder**”) have engaged in discussions to advance and finalize the terms of a stalking horse asset purchase agreement (the “**Stalking Horse Agreement**”), which is intended to serve as the “stalking horse bid” in the Applicants’ forthcoming sale and investment solicitation process (the “**SISP**”). Those discussions remain ongoing.
- [6] On June 27, 2025, this Court granted the ARIO, which, among other things, granted an extension of the Stay of Proceedings to and including July 14, 2025. The Stay of Proceedings was further extended to August 8, 2025 by order dated July 14, 2025.

- [7] The Applicants now seek to further extend the Stay of Proceedings to and including August 29, 2025. The Applicants require the proposed Stay Extension to August 29, 2025 in order to maintain ordinary course operations while the parties attempt to execute the final form of the Stalking Horse Agreement and finalize the SISP for approval by the Court.
- [8] The Applicants continue to be of the view that implementing the SISP, with the Stalking Horse Agreement serving as the stalking horse bid, is in the best interest of the Company and its stakeholders. The Stalking Horse Agreement is intended to provide certainty of a going-concern outcome for the Company, while also affording the Monitor the flexibility and time needed to canvass the market for superior offers. The Applicants advise that they intend to return to Court to seek approval of the Stalking Horse Agreement and the SISP later this month.
- [9] The Applicants, with the assistance of the Monitor, have prepared an updated cash flow forecast (the “**Second Cash Flow Forecast**”). The Second Cash Flow Forecast demonstrates that subject to Court approval of the DIP Amendment, the Applicants will have sufficient liquidity to fund their obligations and the costs of these CCAA proceedings through the end of the proposed Stay Extension period.
- [10] The DIP Lender has agreed to the DIP Amendment which, among other things, increases the maximum availability under the DIP Facility to \$4.2 million, and adjusts the SISP milestone dates to reflect the new agreed timeline for the SISP, which is anticipated to start at the end of this month upon completion of the Stalking Horse Agreement, subject to the approval of this Court.
- [11] Subsection 11.02 of the CCAA authorizes this Court to grant an extension of the Stay of Proceedings for “any period the court considers necessary” provided the Court is satisfied that circumstances exist that make the order appropriate and that the Applicants have acted, and are acting, in good faith and with due diligence.
- [12] The Monitor and the DIP Lender are supportive of the proposed extension, and the Monitor is of the view that it is reasonable and appropriate in the circumstances. I am satisfied that the proposed extension to August 29, 2025 is appropriate in the circumstances. There is no suggestion that the Applicants are not acting with good faith and due diligence.
- [13] I am also satisfied that pursuant to s. 11.2 of the CCAA, including the factors set out in s. 11.2(4) of the CCAA the DIP Amendment and the corresponding increase to the DIP Lender's Charge are appropriate.
- [14] The request to approve the Reports is not unusual and there are good policy and practical reasons for doing so: see *Laurentian University of Sudbury*, 2022 ONSC 2927 at paras. 13-14, citing *Target Canada Co. (Re)*, 2015 ONSC 7574 at paras. 2, 12, 22. No opposition to the approval of the Reports has been raised and the approval of the

Reports is appropriate in the circumstances as the Monitor has acted reasonably and in good faith. The draft order provided contains the typical language that only the Monitor is entitled to rely on the approval.

- [15] Order to go in the form signed by me this day.
- [16] A further hearing is booked for **August 28, 2025 for 60 minutes at 10:00 am (virtually)**. It is expected at that time that a further extension of the stay of proceedings and approval of the SISP and Stalking Horse Agreement for use therein will be sought. At this time no opposition is expected. All material is to be uploaded to Case Center no later than August 26, 2025.
- [17] If counsel understands the matter is to be opposed, the Commercial List Office should be notified and alternative hearing arrangements may be required.

August 8, 2025



Justice J. Dietrich