

COURT FILE NUMBER 25-3002847 B301-002847  
COURT COURT OF KING'S BENCH OF ALBERTA  
JUDICIAL CENTRE CALGARY



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C30987  
Mar 21, 2024  
COM

IN THE MATTER OF THE NOTICE OF THE  
*BANKRUPTCY AND INSOLVENCY ACT*, R.S.C.  
1985, c B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION  
TO MAKE A PROPOSAL OF INFARM INDOOR URBAN  
FARMING CANADA INC.

APPLICANT INFARM INDOOR URBAN FARMING CANADA INC.

DOCUMENT SUPPLEMENTAL AFFIDAVIT (SALE APPROVAL &  
SEALING)

ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT

**McMILLAN LLP**  
1700, 421 – 7<sup>th</sup> Avenue SW  
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File Number: 300427

#### AFFIDAVIT OF EREZ GALONSKA

Sworn March 14, 2024

I, **EREZ GALONSKA**, of the City of London in the United Kingdom MAKE OATH  
AND SAY THAT:

1. This affidavit is sworn further to the affidavit of Amit Matthew Shoresch sworn in this action on November 2, 2023 ("**Shoresch Affidavit**"), and my affidavits sworn on December 21, 2023, and February 13 and March 11, 2024 (the "**March 11 Affidavit**").
2. I am the founder and Chief Executive Officer of Infarm Canada and have been authorized by Infarm Canada to swear this Affidavit.
3. Capitalized terms not defined in this affidavit shall take the meanings ascribed in the March 11 Affidavit.

  
Signed before me by  
**EREZ GALONSKA**  
Identity verified (Passport No. **24586286**)  
**Sajo Thomas**  
Notary Public England and Wales  
  
-14.03.2024

### Correction to March 11 Affidavit

4. Paragraph 8 of my March 11 Affidavit states the following:

Infarm Technologies Limited (the “**Purchaser**”) is a UK company and, since December 29, 2023, has been the sole shareholder of Infarm Indoor Urban Farming Canada Inc. (“**Infarm Canada**”).

5. Paragraph 8 of my March 11 Affidavit is incorrect. The Purchaser did not purchase the shares of Infarm Canada as part of the transaction in the Administration Proceedings of Infarm Parent (as defined in the Shores Affidavit) in the United Kingdom. The shares of Infarm Canada were excluded from that transaction and remain with Infarm Parent. The Purchaser has never been a shareholder of Infarm Canada.

### Book Value is Not Reflective of Market Value

6. At Exhibit “C” of my March 11 Affidavit is an information overview document (the “**Information Overview**”) made available to prospective purchasers as part of the sale process in the Administration Proceedings. Page 52 of the Information Overview contains financial information that includes certain book values for assets located in Canada related to Infarm Canada’s operations. The book values listed included all assets located in Canada and a significant portion of these were owned by Infarm Parent and are now owned by the Purchaser (the “**European-owned Assets**”). Therefore, these book value amounts do not represent the potential realizations available for the benefit of Infarm Canada’s creditors.

7. Additionally, the market value of the assets of Infarm Canada are worth significantly less than the book value outlined in the Information Overview, as demonstrated by the results of the pre-filing sale process in the Administration Proceedings, particularly that no offers were submitted for Infarm Canada’s assets. The assets of Infarm Canada are integrated with the European-owned Assets, and include software and patents now owned by the Purchaser. The European-owned Assets are used together with Infarm Canada’s assets to operate in the normal course. Due to the high level of integration of the assets, the utility of the Infarm Canada assets on their own, without the benefit of the European-owned Assets, is uncertain. As a result, a stand-alone sale of these assets to a third party is highly unlikely and in any event, is expected to realize significantly less than the consideration offered by the Proposed Purchaser. Accordingly, the Confidential Appraisal provides more reflective and current realizable value that can be attributed to Infarm Canada’s assets.

8. I make this Affidavit in support of an application by Infarm Canada for approval of the APA and Transaction and to temporarily seal the Confidential Appraisal.

SWORN BEFORE ME at the City of  
London, United Kingdom, this 14<sup>th</sup> day of  
March, 2024

A Notary Public in and for London, United  
Kingdom

**SAJO THOMAS**  
Notary Public England and Wales  
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Protocol Number 11928 Date

14 MARCH 2024

Erez Galonska

Signed before me by  
**EREZ GALONSKA**  
Identity verified (PASSPORT NO)  
Sajo Thomas 24586286  
Notary Public England and Wales

