

**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  
XIWANG IOVATE HOLDINGS COMPANY LIMITED, IOVATE HEALTH SCIENCES  
INTERNATIONAL INC., IOVATE HEALTH SCIENCES U.S.A. INC., IOVATE  
HEALTH SCIENCES AUSTRALIA PTY LTD, and NORTHERN INNOVATIONS  
HOLDING CORP.**

Applicants

**AMENDED NOTICE OF MOTION  
(Amended and Restated Initial Order and SISP Approval Order)**

Iovate Health Sciences International Inc. (“**Iovate International**”), Iovate Health Sciences U.S.A. Inc. (“**Iovate USA**”), Northern Innovations Holding Corp. (“**Northern Innovations**” and together with Iovate International and Iovate USA, the “**NOI Applicants**”), Xiwang Iovate Holdings Company Limited (“**Xiwang Iovate**”), and Iovate Health Sciences Australia Pty Ltd (“**Iovate Australia**”, and together with the NOI Applicants and Xiwang Iovate, the “**Applicants**”) will make a Motion before a Judge of the Ontario Superior Court of Justice (Commercial List), on ~~a date to be scheduled~~ Friday, November 28, 2025 at 11:30 a.m., by judicial videoconference via Zoom at Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** The Motion is to be heard

- ☐ In writing under subrule 37.12.1(1);
- ☐ In writing as an opposed motion under subrule 37.12.1(4);
- ☐ In person;
- ☐ By telephone conference;
- ☒ By video conference.

~~At a Zoom link to be provided by the Court in advance of the motion on Case Center.~~

The Zoom link for this motion is as follows:

<https://ca01web.zoom.us/j/61804264297?pwd=MEpzRUtlUVB0UGc4eStsVGNTYmkxUT09#success>

Please advise if you intend to join the motion by emailing Maleeha Anwar at [manwar@chaitons.com](mailto:manwar@chaitons.com)

**THE MOTION IS FOR:**

1. A sale and investment solicitation process approval order (“**SISP Order**”), substantially in the form of the draft order attached at Tab 3 of the Motion Record of the Applicants, among other things:

- (a) if necessary, abridging the time for service of this Notice of Motion and Motion Record and dispensing with service on any person other than those served; and
- (b) approving a sale process for the sale of all or substantially all of the Applicants’ Business or Property (defined below);

2. An amended and restated initial order (the “**ARIO**”) substantially in the form of the draft order attached at Tab 4 of the Motion Record of the Applicants, among other things:

- (a) authorizing the Monitor, *nunc pro tunc*, to the exclusion of all others (including the Applicants and their respective officers and directors) to: (i) negotiate and execute the Engagement Letter (defined below), on behalf of the Applicants; (ii) cause the Applicants to perform their obligations under the Engagement Letter; and (iii) perform such other functions and duties, and enter into any agreements or incur any obligations on behalf of and in the name of the Applicants, as may be necessary or incidental to the negotiation, execution and performance of the Engagement Letter

by the Applicants;

- (b) ratifying and approving the Engagement Letter, *nunc pro tunc*, and authorizing and directing the Applicants to make the payments contemplated thereunder in accordance with the terms and conditions of the Engagement Letter;
- (c) granting a Sales Agent Charge in the maximum amount of CAD1.75 million in respect of a Transaction Fee (as defined in the Engagement Letter) and the Sales Agent's expenses, which charge shall be subordinate only to the Administrative Professionals Charge and Directors' Charge;
- (d) ordering that all claims of the Sales Agent pursuant to the Engagement Letter may not be compromised pursuant to a plan of compromise or arrangement under the *Companies' Creditors Arrangement Act* (a "**Plan**") and shall be treated as unaffected in any Plan, any proposal under the *Bankruptcy and Insolvency Act* or any other restructuring and no such Plan, proposal or restructuring shall be approved that does not provide for the payment of all amounts due to the Sales Agent pursuant to the Engagement Letter;
- (e) ordering that, in addition to any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance; (ii) Canada Pension Plan; and (iii) income taxes, the Applicants remit, in accordance with legal requirements, or pay all other amounts related to such deductions or employee wages payable for periods following the NOI Filing Date pursuant to the *Income*

Tax Act, the Canada Pension Plan, the Employment Insurance Act or similar provincial statutes that are of a kind that could be subject to a demand under the statutory provisions specified in subsection 6(3)(a) through 6(3)(c) of the CCAA;

- (f) authorizing, but not directing, the Applicants to make, subject to the Principal Payment Conditions (as defined below), the Principal Payments (as defined below) to the Lenders;
- (g) approving the Incentive Payments (as defined below), payments to the Key Employees (as defined below) pursuant to a key employee retention plan (the “KERP”), and granting the KERP Charge (as defined below);
- (h) approving the sealing of the unredacted Engagement Letter and the KERP Charge Calculation pending further Order of the Court; and
- (i) extending the Stay Period until and including January 30, 2026; and

3. Such further and other relief as counsel may request and that this Honourable Court may deem just.

**THE GROUNDS FOR THE MOTION ARE:<sup>1</sup>**

***Background***

1. On September 5, 2025, each of the NOI Applicants filed a notice of intention to make a

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<sup>1</sup> Capitalized terms used and not otherwise defined herein have the meanings given to them in the Affidavit of Wesley Parris sworn November 19, 2025, contained at Tab 2 of the Motion Record of the Applicants, the First Report of KSV Restructuring Inc. dated November 25, 2025, or the Supplement to the First Report of KSV Restructuring Inc. dated November 27, 2025.

proposal pursuant to section 50.4 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”);

2. On October 3, 2025, the Honourable Justice Conway granted an order extending the time for the NOI Applicants to file a proposal under the BIA to and including November 4, 2025;

3. On October 17, 2025, this Court granted an Order (“**Kenco Settlement Order**”), *inter alia*, approving the settlement agreement on the terms set out in a letter from Kenco dated October 8, 2025 (the “**Kenco Settlement Agreement**”) and releasing all claims, actions, and liabilities arising out of or relating to the Warehousing and Logistics Services Agreement dated April 27, 2023;

4. On October 31, 2025, the Honourable Justice Dietrich granted an order (the “**Initial Order**”), among other things, authorizing the Applicants to continue or commence (as applicable) proceedings (the “**CCAA Proceedings**”) under the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”);

5. On November 12, 2025, the United States Bankruptcy Court for the Southern District of New York (the “**New York Court**”) entered an order amending the New York Court’s prior Recognition Order entered on October 28, 2025 and recognizing and enforcing the Initial Order;

### ***Approval of the SISP***

6. The Applicants seek approval of a sale and investment solicitation process (the “**SISP**”) to pursue a going concern transaction for the benefit of their stakeholders;

7. The proposed SISP will allow the Monitor and the Sales Agent to solicit interest in, and opportunities for:

- (a) one or more sale(s) or partial sale(s) of all, substantially all, or certain portions of the Applicants' business (the "**Business**") and/or the Applicants' property (the "**Property**"); and/or
- (b) an investment in, restructuring, recapitalization, refinancing or other form of reorganization of all or some of the Applicants or all or part of the Business;

8. The SISP will provide for, among other things: (i) the manner in which prospective bidders may gain access to due diligence materials concerning the Applicants, the Business and the Property; (ii) the manner in which interested parties may participate in the SISP; (iii) the requirements related to the receipt and negotiation of bids received; (iv) the ultimate selection of a Successful Bidder; and (v) the requisite approvals to be sought from the Court in connection therewith;

9. The material terms of the SISP are summarized in the Affidavit of Wesley Parris sworn November 19, 2025 and in the First Report of KSV Restructuring Inc. dated November 25, 2025 (the "**First Report**");

***Enhanced Powers for the Monitor in Relation to the SISP***

10. If granted, the SISP Order will authorize and empower the Monitor, in consultation with the Sales Agent, and with the assistance of the Applicants, to implement the SISP in accordance with its terms;

11. The Monitor's enhanced powers, as set out in the SISP, are necessary to maintain the integrity of the sale process given that Xiwang Foodstuffs Co. Ltd., which owns approximately 80% of the issued and outstanding shares of Xiwang Foodstuffs (Qingdao) Co., Ltd. (the parent

company of Xiwang Iovate), has stated that it is considering participating in the SISP;

12. The proposed SISP provides that: (i) the Applicants shall not communicate directly or indirectly with any potentially interested parties regarding the SISP unless the Monitor or the Sales are participating in the communications (if communicating orally) or are copied (if communicating by way of written correspondence, including email); and (ii) no information about the Applicants shall be shared with one potentially interested party unless that information is also made available to all other potentially interested parties, subject to restrictions on the basis of market competition regarding a competitor;

13. Granting the enhanced powers and the additional safeguards included in the proposed SISP will help ensure fairness in the process in the event of a related party transaction, while promoting the maximization of value to the benefit of all stakeholders and encouraging wide participation by potential bidders;

14. The SISP represents the best path forward to monetize the assets of the Applicants and the proposed timeline, which was developed with input from the Sales Agent, is reasonable and appropriate;

15. The Monitor is supportive of the SISP;

### ***Ratification and Approval of the Engagement Agreement***

16. In anticipation of seeking approval of the SISP, the Monitor commenced preliminary investment-banking outreach. Three investment-banking firms were approached to submit proposals to act as the investment bank in connection with the SISP. Three proposals were received during the last week of October 2025;

17. After reviewing the proposals, Origin was selected as the Sales Agent. Origin is a prominent North American independent investment bank with extensive experience providing advisory services to companies considering strategic alternatives;

18. On November 11, 2025, Origin entered into and executed an engagement letter (the “**Engagement Letter**”) pursuant to which Origin was engaged as the Sales Agent to support the Monitor with the implementation of the SISP;

19. The Applicants are seeking authorization for the Monitor to execute the Engagement Letter, on behalf of the Applicants, and the ratification and approval of the Engagement Letter as part of the ARIO;

20. Under the Engagement Letter, the Applicants are required to pay to the Sales Agent:

- (a) a monthly work fee, that will be credited against any Transaction Fee (as defined in the Engagement Letter); and
- (b) a Transaction Fee that will be determined based on the Transaction Value (as defined in the Engagement Letter).

21. The Engagement Letter contemplates that the Transaction Fee and expenses payable to the Sales Agent will be secured by a charge in the maximum amount of CAD1,750,000 (the “**Sales Agent Charge**”) and provides that the Sales Agent Charge shall be subordinate only to the Administrative Professionals Charge and Directors’ Charge;

22. The Sales Agent Charge is reasonable and necessary in the circumstances given current market conditions, the particular industry and the type of assets that will be marketed, should the



Court approve the SISP;

**Approval of Incentive Payments, KERP and KERP Charge**

23. To stabilize the workforce and retain employees who may otherwise seek alternative employment opportunities, the Applicants have formulated, with the Monitor's assistance, certain incentive payment plans which are described in the First Report;

(i) **The Incentive Payments**

24. The Applicants propose to make payments in the aggregate amount of approximately USD 1.02 million to general and international employees in February 2026 (the “**Incentive Payments**”);

25. In order for employees to receive the Incentive Payments, among other things, the Applicants must achieve a minimum adjusted EBITDA of approximately USD 16.288 million (the “**EBITDA Condition**”);

(ii) **The KERP**

26. The Applicants propose to pay approximately USD 1.58 million to approximately 20 key employees (the “**Key Employees**”) as part of the KERP as follows: (a) half of such payment (the “**Key Employee Incentive Payment**”) shall be paid to the Key Employees in February 2026; and (b) the remaining half of such payment (the “**KERP Payment**”) shall be paid at the earlier of two weeks after closing of a successful transaction resulting from the SISP and September 30, 2025. These payments are also conditional on, among other things, the EBITDA Condition;

27. The quantum of the KERP Payment was calculated on the basis of incentivizing the Key Employees to continue their employment through the completion of a transaction resulting from

the SISP;

28. The Incentive Payments and the KERP are necessary to address retention concerns in light of recent key employee departures;

29. The Monitor supports the relief sought in respect of the Incentive Payments and the KERP, and is of the view that: (a) the Incentive Payments and the Key Employee Incentive Payments are reasonable as they are calculated in accordance with existing contractual bonus entitlements; and (b) the KERP Payment is reasonable and in line with the quantum of retention payments approved in other CCAA proceedings;

(iii) *The KERP Charge*

30. The Applicants seek to secure the KERP Payment in the approximate amount of USD 790,000 by a charge over the Applicants' Property (the "**KERP Charge**");

31. The Monitor has provided a detailed breakdown of the amount of the KERP Charge (the "**KERP Charge Calculation**") in Confidential Appendix "1" to the Supplement to the First Report of the Monitor dated November 27, 2025 (the "**Supplemental First Report**");

**Authorization to Make Principal Payments**

32. On November 26, 2025, the administrative agent under the Applicants' credit facilities (the "**Administrative Agent**") delivered a letter to the Monitor (copying the Service List) (the "**Letter**") requesting that the draft ARIO be amended to authorize the Applicants, with the Monitor's consent, to make the following principal payments in accordance with the Amended and Restated Credit Agreement dated June 30, 2021 (the "**Credit Agreement**): (a) USD 750,000 for the week ending December 26, 2025; and (b) USD 1,750,000 for the week ending January 23,

2026 (the “**Principal Payments**”);

33. The proposed authorization to make the Principal Payments is subject to the following conditions (the “**Principal Payment Conditions**”): (a) the Monitor obtaining a security opinion in respect of the Administrative Agent’s security that concludes that the security is valid, enforceable and properly perfected; and (b) at the time a Principal Payment is due, the Monitor must be satisfied that the Applicants have sufficient cash to make such payment without imperiling the payment of post-filing operating expenses;

34. In response to the Letter, the Monitor filed a revised cash flow forecast for the period commencing November 17, 2025 and ending on January 30, 2026, to include the Principal Payments (the “**Updated Cash Flow Forecast**”);

35. The Updated Cash Flow Forecast, appended as Appendix “B” to the Supplemental First Report, indicates that the Applicants are projected to have sufficient liquidity to make the Principal Payments while continuing to satisfy post-filing obligations in the ordinary course;

36. The Monitor is of the view that, subject to the Principal Payment Conditions, it is reasonable and appropriate to make the Principal Payments;

### ***Sealing Order***

37. The Applicants seek to seal the unredacted Engagement Letter pending further order of the Court, such that the fees to be paid to the Sales Agent will not be disclosed to the public;

38. The Sales Agent’s fees are tied to the value of a potential transaction under the SISP. As a result, the Applicants are concerned that disclosing them publicly will negatively impact the SISP,

as potential bidders may use this information to estimate the Sales Agent's views as to the value of the Applicants' Property and/or the Business, and seek to submit strategic bids accordingly;

39. As the KERP Charge Calculation includes personal compensation information relating to the Applicants' employees, the Applicants seek to seal the KERP Charge Calculation indefinitely, subject only to further Court order;

40. Sealing such information will help avoid any unnecessary disruption or distraction to the Applicants' business that such disclosure may cause;

41. The Monitor does not believe that any stakeholder will be prejudiced if the information in the KERP Charge Calculation is sealed;

42. In the circumstances, the benefits of sealing the unredacted copy of the Engagement Agreement and the KERP Charge Calculation will outweigh any prejudice that may result from such relief;

### ***Extension of the Stay Period***

43. Under the Initial Order, this Court granted a Stay Period until December 12, 2025;

44. The Applicants seek to extend the Stay Period until and including January 30, 2026, to allow the SISF to unfold and the Monitor to focus on conducting the SISF with the assistance of the Sales Agent;

45. The Applicants have sufficient cash resources to fund their obligations and the costs of these CCAA proceedings through to the extended Stay Period date;

46. The Applicants have acted and continue to act in good faith and with due diligence in the

CCAA proceedings;

47. The proposed extension of the Stay Period is in the best interests of the Applicants and their stakeholders;

48. The Monitor supports the request to extend the Stay Period;

***Other Grounds***

49. The provisions of the CCAA, including sections 11, 11.02(2), 11.52, 36, and the statutory, inherent and equitable jurisdiction of this Honourable Court;

50. Rules 1.04, 1.05, 2.01, 2.03, 3.02, 16 and 37 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, as amended, and sections 106 and 137(2) of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended; and

51. Such further and other grounds as counsel may advise and this Honourable Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the Motion:

52. The Affidavit of Wesley Parris sworn November 19, 2025, and the Exhibits attached thereto;

53. ~~A report~~ The First Report of the Monitor dated November 25, 2025, to be filed;

54. Supplement to the First Report of the Monitor dated November 27, 2025, filed; and

55. Such further and other evidence as counsel may advise and this Honourable Court may permit.

November 20 26, 2025

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Lawyers for the Applicants

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 XIWANG IOVATE HOLDINGS COMPANY LIMITED, IOVATE HEALTH SCIENCES INTERNATIONAL INC., IOVATE HEALTH SCIENCES U.S.A. INC., IOVATE HEALTH SCIENCES AUSTRALIA PTY LTD, and NORTHERN INNOVATIONS HOLDING CORP.

Court File No: BK-25-03268936-0031

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

PROCEEDING COMMENCED AT TORONTO

**AMENDED NOTICE OF MOTION**  
(Amended and Restated Initial Order and SISP Approval Order)

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