



This is the 5th Affidavit
of Min Gyoung Kang in this case
and was made on September 26, 2025

No. S-254287
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
RSC 1985, c C-36, as amended**

and

**IN THE MATTER OF OAK AND FORT CORP., 1282339 B.C. LTD.,
OAK AND FORT US GROUP, INC., OAK AND FORT ENTERPRISE (U.S.), INC.,
NYM MERGER HOLDINGS LLC and OAK AND FORT CALIFORNIA, LLC**

PETITIONERS

AFFIDAVIT

I, **MIN GYOUNG KANG**, of Vancouver, British Columbia, businessperson, **AFFIRM AND SAY THAT:**

1. I am a director and Chief Executive Officer and the founder of the Petitioners (also referred to herein as the "**O&F Group**"), and as such I have personal knowledge of the facts deposed to in this affidavit except where stated to be on information and belief, in which case I verily believe the information and the resulting statements to be true.
2. I am authorized to swear this Affidavit on behalf of the Petitioners.
3. I affirmed my Affidavit No. 1 on June 6, 2025 (the "**First Affidavit**"), my Affidavit No. 2 on June 12, 2025 (the "**Second Affidavit**"), and my Affidavit No. 3 on June 27, 2025 (the "**Third Affidavit**") in these proceedings (the "**CCAA Proceedings**") in support of the Petitioners' applications for an initial order, an amended and restated initial order, and a second amended and restated initial order (the "**SARIO**"), respectively, pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**").
4. I affirmed my Affidavit No. 4 on July 2, 2025 (together with the First Affidavit, the Second Affidavit and the Third Affidavit, the "**Affidavits**") in these *CCAA* Proceedings in support of the Petitioners' application for a Claims Process Order (the "**CPO**").

5. I affirm this Affidavit in support of the Petitioners' application for an Order extending the Stay Period pursuant to paragraph 17 of the SARIO until and including November 21, 2025, or such later date as this Court may subsequently order.
6. Capitalized terms used in this Affidavit and not otherwise defined have the meaning set out in the SARIO.

I. UPDATES AND ACTIONS TAKEN SINCE THE APPLICATION FOR THE SARIO AND THE CPO

A. Overview

7. Since the SARIO and the CPO were granted, the O&F Group, with the assistance of its legal counsel and the Monitor, has worked to advance its restructuring and implement the Claims Process (as defined in the CPO). The steps taken include, among other things:
 - (a) engaging with vendors, suppliers, landlords and other stakeholders regarding the CCAA Proceedings, the Claims Process, the O&F Group's business during these proceedings, the formulation of a turnaround plan, and various other matters;
 - (b) diligently monitoring forecasted and actual sales and collections, and forecasted and actual operating expenses and payments, in order to manage cash flow and conserve capital, and reporting to the Interim Lender as required under the Interim Financing Facility;
 - (c) implementing the Claims Process in accordance with the terms of the CPO, including but not limited to the delivery of claims packages and providing information to claimants;
 - (d) in consultation with the Monitor, reviewing Proof of Claim Forms (as defined in the CPO) received in connection with the Claims Process in order to determine whether to accept, revise or reject the claims set forth therein;
 - (e) with the assistance of its financial advisor, preparing financial analyses and presentations, and engaging in discussions with potential investors for both debt and equity financing to support the O&F Group's emergence plan;

- (f) engaging in ongoing discussions with certain landlords with a view of optimizing the O&F Group's retail presence and lease terms, and in some instances entering into lease amending agreements to support the O&F Group's emergence plan;
 - (g) undertaking various initiatives to preserve cash resources, including terminating the engagement of Reflect Advisors LLC ("**Reflect**") as CRO; and
 - (h) continuing to operate and manage the business and operations of the O&F Group in the ordinary course, including addressing operational issues as they arise.
8. The particulars of certain key activities and actions taken by the Petitioners following the Court's issuance of the SARIO and the CPO are detailed below.

B. Implementation and Status of the Claims Process

9. Since the Court's approval of the CPO on July 4, 2025, the Petitioners, in consultation with the Monitor, have taken steps to implement and advance the Claims Process in compliance with the terms and timelines set out in the CPO.
10. These steps include, for example:
- (a) delivering Claims Packages to known Claimants and other Claimants upon request, and delivering Employee Claims Packages to 42 Terminated Employees;
 - (b) in the case where the Petitioners have issued any disclaimers for any contracts (as further detailed below), the Petitioners also delivered Claims Packages to the applicable contract counterparties in respect of any potential Restructuring Claims; and
 - (c) responding to inquiries from potential Claimants and other stakeholders regarding the Claims Process.
11. Although the CPO contemplates that the Petitioners may send Claims Notices to Claimants with Claims that the Petitioners can reasonably assess and determine, following a review of the books and records, and in consultation with the Monitor, the Petitioners ultimately

determined that they did not have sufficient information to send Claims Notices to any known Claimants.

12. The Petitioners have worked closely with the Monitor to ensure compliance with the CPO and the applicable deadlines. All steps under the Claims Process were undertaken by the Company in consultation with the Monitor.
13. In consultation with the Monitor, the Petitioners are in the process of reviewing the Claims received in order to determine whether to accept, reject or revise each Claim. Based on their preliminary review, there are certain Claims where the Petitioners may dispute or revise the Claim but, at this time, no Notices of Revision or Disallowance have been issued, pending further advancement of the Petitioners' restructuring plan. While this affects timing for the final adjudication of claims that may be disputed, the Petitioners, in consultation with the Monitor, determined that doing so was appropriate and commercially reasonable to ensure the efficient use of funds in these proceedings.
14. The Petitioners intend to further advance the Claims Process, including issuing Notices of Revision or Disallowance, if necessary, as they continue to advance their financing efforts and further develop their anticipated plan of arrangement.

C. Disclaimers and Renegotiations of Contracts

15. As part of the development of their restructuring plan, the Petitioners have carefully reviewed their contracts, and in particular their leases, to identify areas of optimization for business operations and cash flow. Where appropriate, the Petitioners have engaged in discussions with contract counterparties to renegotiate contract terms. These discussions have resulted in the Petitioners, in consultation with the Monitor, negotiating several lease amending agreements, all with a view to right-sizing the Petitioners' business by ensuring a stable and sustainable long-term operating environment in furtherance of the Petitioners' restructuring efforts.
16. In consultation with the Monitor, the Petitioners have also issued notices of disclaimer for contracts that were no longer supportable by the Petitioners' cash flows and expected go-forward footprint, and in respect of which the parties were unable to agree to viable

amended terms. As of the date of this Affidavit, the O&F Group has issued eight notices of disclaimers pursuant to the *CCAA*, three of which are disclaimers of leases for retail spaces, with the remainder being disclaimers of limited equipment leases or services agreements.

17. As of the date of this Affidavit, the Petitioners have closed two retail locations in Canada and four in the United States, representing a reduction of six compared to the 42 retail locations at the commencement of these proceedings. Of the six store closures, two followed the disclaimer of the applicable leases, three followed the expiry of the lease term in accordance with the applicable terms, and one followed the surrender of leased premises following the landlord's breach of lease obligations. The Petitioners expect to close two additional retail locations in the United States in October 2025 after the effective date of the applicable disclaimer.
18. Importantly, I have been engaged in ongoing discussions with certain of the Petitioners' significant landlords concerning the Claims that these landlords have submitted through the Claims Process, and the Petitioners' restructuring plan more broadly, which is anticipated to require lease amendments and realignment of Oak + Fort's retail presence in various markets. These discussions have been productive and are ongoing.

D. Termination of CRO

19. On July 11, 2025, the Petitioners terminated Reflect's engagement in accordance with the engagement contract dated May 16, 2025 between Reflect and Oak and Fort Corp. This decision was taken as part of the Petitioners' ongoing efforts to balance their cash flow obligations with advancing restructuring efforts on a timely basis.
20. In August 2025, the Petitioners determined that Reflect's assistance would be beneficial in the preparation of materials for prospective investor and lender discussions, and re-engaged Reflect on a limited-purpose basis to assist with this work.

E. Efforts Toward an Emergence Plan

21. The Petitioners, with the assistance of their financial advisor, have been working diligently to seek third party financing or investment to facilitate a plan of arrangement to be

presented to creditors and that, if implemented, would enable the business to emerge from these proceedings as a going concern.

22. To facilitate discussions with potential investors and key stakeholders as appropriate, the Petitioners, in consultation with the Monitor and with the assistance of their financial advisor, have prepared a liquidation analysis, cash flow forecasts, and other financial modeling, as well as investor presentations for both debt and equity financing scenarios. The Petitioners have also prepared a virtual data room with records and information that would assist potential investors with due diligence. With these materials and the assistance of their financial advisor, the Petitioners have started and are actively continuing to canvass the market to seek investments.
23. The Petitioners have approached both traditional lenders and private investment firms to solicit interest. To date, the Petitioners have received executed confidentiality agreements from and provided data room access to prospective investors and lenders. The Petitioners have received serious offers from multiple potential investors, who have submitted executed term sheets, and expect to receive additional term sheets or letters of interest in the coming weeks.

F. Ongoing Business Operations and Response to Operational and Other Issues

24. As noted above, the Petitioners continue to operate the Oak + Fort business during these *CCAA* proceedings, and respond to operational and other issues which may arise in the ordinary course.
25. As a result of these *CCAA* Proceedings and the Petitioners' present financial challenge, the business, in consultation of the Monitor, has addressed issues as they arise, including, but not limited to:
 - (a) assessing available alternatives to satisfy security requirements of the U.S. Customs and Border Protection ("CBP") for importers as a result of the expiry and consequent inability to renew the Letter of Credit previously provided by the Royal Bank of Canada for the same, and ultimately posting cash collateral with CBP to facilitate the ongoing receipt of inventory into the United States; and

- (b) engaging in ongoing discussions with various landlords regarding Claims filed in the Claims Process and potential lease amendments to support the Petitioners' post-emergence business plans, and related topics.
26. The Petitioners have also engaged in ongoing discussions with vendors and suppliers to secure inventory supply and ongoing service provision during the course of the *CCAA* Proceedings and, in particular, the fall/winter holiday season from around October to January, when retail spending typically increases during holidays such as Black Friday, Thanksgiving, Christmas, Boxing Day and the New Year. The Petitioners require stability over this critical period to maximize revenue.

G. Financial Update and Cash Flow Forecast

27. As part of the Petitioners' Application for the SARIO, the O&F Group prepared a consolidated cash flow forecast for the period from July 6, 2025 to October 5, 2025, which was appended to the Monitor's Second Report as Appendix B and summarized in section 4 of that report. As of the date of this Affidavit, the Petitioners have reported a positive variance, and have generated collections in excess of the forecast.
28. In compliance with the terms of the Interim Financing Term Sheet, the Petitioners have had regular discussions and provided financial and other key restructuring updates to the Interim Lender group.
29. With the assistance of the Monitor, the Petitioners have prepared a consolidated nine-week cash flow forecast for the O&F Group for the period commencing on September 22, 2025 and ending on November 23, 2025, as attached as an appendix to the Monitor's Third Report, to be filed (the "**Cash Flow Forecast**"). The Cash Flow Forecast illustrates that the Petitioners have sufficient funding to continue to operate the business and further its restructuring efforts under the *CCAA* for the balance of the Stay Period.

II. RELIEF SOUGHT AT THE APPLICATION

30. The Petitioners continue to require the protection afforded by the *CCAA* to preserve value for the benefit of all stakeholders in order to stabilize their business and advance their restructuring efforts. Based on the Cash Flow Forecast, the Petitioners seek to extend the

Stay Period from October 3, 2025 to and until November 21, 2025. During the course of the proposed stay extension:

- (a) the Petitioners' main use of cash will be to continue to finance ongoing operating expenses, general administrative expenses, and payments to the Monitor and professional advisors benefitting from the Administration Charge to assist with the restructuring efforts;
- (b) in addition to continuing to operate the business as a going concern and implementing an operational restructuring, the Petitioners, in consultation with the Monitor, intend to advance the Claims Process in accordance with the CPO; and
- (c) the Petitioners, together with their financial advisor, will continue their efforts towards securing financing commitments and developing their emergence plan.

31. The Petitioners anticipate being in the position to present a viable plan of arrangement at the conclusion of the requested stay extension, or to seek approval of additional interim financing and corresponding stay extension as may be required to enable the Petitioners to continue their restructuring efforts.

III. CONCLUSION

32. Based on all of the foregoing, I am of the view that no stakeholders would be materially prejudiced by the proposed extension of the Stay Period, and that the Petitioners are only able to pursue a going-concern restructuring if provided more time to continue their restructuring efforts. Accordingly, I believe the continuation of the *CCAA* Proceedings and relief sought in the Petitioners' Application filed concurrently herewith are necessary to protect and preserve enterprise value for the benefit of the Petitioners' stakeholders.

AFFIRMED BEFORE ME at Vancouver,)
British Columbia, on September 26, 2025)



A Commissioner for taking Affidavits for British Columbia)

Asia Clarke, Armed student)



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ARRANGEMENT ACT, RSC 1985, C C-36, AS AMENDED

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IN THE MATTER OF OAK AND FORT CORP. AND
1282339 BC LTD.

PETITIONERS

AFFIDAVIT

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