



This is the 6th Affidavit
of Min Gyoung Kang in this case
and was made on November 17, 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 previously affirmed my Affidavit No. 1 on June 6, 2025, my Affidavit No. 2 on June 12, 2025, my Affidavit No. 3 on June 27, 2025, my Affidavit No. 4 on July 2, 2025, and my Affidavit No. 5 on September 26, 2025 in these proceedings (the "**CCAA Proceedings**") in support of the Petitioners' applications pursuant to the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA**") for an initial order, an amended and restated initial order, a second amended and restated initial order (the "**SARIO**"), a claims process order (the "**CPO**"), and a stay extension order, respectively.
4. In addition, I affirmed my Affidavit No. 5 on September 26, 2025 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.

5. I affirm this Affidavit in support of the Petitioners' application for an order:
 - (a) approving the terms of proposed insurance premium financing (the "**Premium Financing**") to be provided by CAFO Inc. ("**CAFO**"), and authorizing the Company to enter into definitive agreements in connection with the Premium Financing; and
 - (b) extending the stay period in respect of the Petitioners under the *CCAA* to and including February 2, 2026.
6. If the requested relief is granted, it is my expectation that the Petitioners will apply to present a consolidated plan of compromise and arrangement for filing and consideration by creditors in the near term.
7. Capitalized terms used in this Affidavit and not otherwise defined have the meaning set out in the SARIO or the CPO, as applicable.

I. UPDATES AND ACTIONS TAKEN SINCE THE APPLICATION FOR STAY EXTENSION

A. Overview

8. Since the most recent order for stay extension was granted, the O&F Group, with the assistance of its legal counsel and the Monitor, has been and is continuing to act in good faith and with due diligence to (i) continue to operate the business in the ordinary course; (ii) execute its turnaround plan; (iii) maximize value for their stakeholders by preparing a consolidated plan of compromise and arrangement ("**Plan**") that is expected to offer a superior recovery to creditors relative to a liquidation, and (iv) engage with a wide range of stakeholders to provide updates and respond to their concerns. In particular, the Petitioners have taken steps and activities to advance their restructuring, which include but are not limited to:

- (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 the Plan which the O&F Group anticipates presenting to affected creditors before the end of the calendar year, and various other matters;
- (b) through legal counsel, actively drafting the Plan and materials in connection with a forthcoming meeting of creditors, which efforts remain in progress as of the date hereof;
- (c) developing cashflow forecasts in respect of the funding requirements of the Plan and the anticipated use of funds for implementation of the Plan, and on a go-forward basis after the O&F Group emerges from these proceedings;
- (d) 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;
- (e) engaging in ongoing discussions with landlords with a view of optimizing the O&F Group's retail presence and lease terms;
- (f) in an effort to further streamline and optimize the O&F Group's operational costs, attending to the closure of two additional retail stores and the termination of certain employment contracts;
- (g) assisting the Monitor with its continuing implementation of the Claims Process in accordance with the terms of the CPO, including but not limited to: (i) delivering of claims packages and providing information to claimants; (ii) 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; and (iii) negotiating consensual resolutions with certain claimants with respect to claimed amounts;
- (h) together with its financial advisor and legal counsel, and in consultation with the Monitor, working diligently to negotiate the terms of third-party financing and

investments (including separate and discrete equity and debt financing) to facilitate the O&F Group's restructuring efforts either by: (i) in the case of equity investments, provision of funding for the contemplated Plan, or, (ii) in the case of debt financing, provision of working capital for the O&F Group's ongoing business operations after Plan implementation. The O&F Group is in advanced discussions with its proposed lender and investors, as detailed below;

- (i) engaging in ongoing discussions with the O&F Group's secured creditors regarding treatment of their claims to the parties' mutual satisfaction, including in respect of the contemplated post-emergence debt financing;
- (j) engaging in discussions with certain stakeholders to determine the overall level of support for the anticipated terms for the Plan; and
- (k) 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.

9. The particulars of certain key activities and actions taken by the Petitioners since their last appearance before the Court are detailed below.

B. Implementation and Status of the Claims Process

10. The Petitioners have worked diligently, in consultation with the Monitor, to continue to implement the Claims Process. Among other things, the Petitioners have determined that the majority of claims filed are consistent with their records and accordingly are accepted. For certain creditors where the Petitioners dispute all or a portion of the claim, they have been engaged in ongoing settlement discussions with those creditors. Some claims have been resolved, with the balance subject to ongoing and productive discussions.
11. I am advised by the Monitor, and do verily believe that, in the late afternoon of November 12, 2025, a significant landlord of the Petitioners, Simon Property Group ("**Simon**") submitted amended Proofs of Claim Forms in respect of restructuring claims for two locations which had been disclaimed by the O&F Group by notices of disclaimer issued September 15 and September 29, 2025, respectively, and in each case sent to Simon along with accompanying claims packages in accordance with the CPO. Simon did not submit

its restructuring claims on or before the applicable Restructuring Claims Bar Dates. The Petitioners and the Monitor have reached out to Simon to discuss these late filed claims.

12. Since the start of these proceedings, the Petitioners have terminated the employment of 81 employees (43 in Canada and 38 in the United States). The Petitioners have delivered Employee Claims Packages to these employees in accordance with the CPO.

C. Disclaimers and Renegotiations of Contracts

13. In connection with the Petitioners' ongoing restructuring efforts, the Petitioners have continued to engage in discussions with certain contract counterparties to renegotiate contract terms to promote sustainable growth by improving cash flow and optimizing operating expenses. The Petitioners have successfully negotiated improved payment terms (including but not limited to reduced deposit requirements) with a number of its suppliers.
14. Since the commencement of these proceedings, the Petitioners have closed two locations in Canada, and six in the United States, with leases for two additional U.S. being expected to end in accordance with their terms in 2026 and 2027, collectively resulting in rent savings of approximately CAD \$2 million per year. This includes, as anticipated in my Affidavit No. 5, two retail locations in the United States that were closed in October 2025.
15. The O&F Group now operates 34 retail locations (compared to the 42 locations at the commencement of these proceedings).
16. No additional disclaimers are expected. Any further locations to be closed will be due to the leases ending on their terms.
17. In addition, I have continued to engage in ongoing discussions with certain of the Petitioners' significant landlords concerning the claims these landlords have submitted through the Claims Process, and the Petitioners' restructuring plan (including but not limited to the terms of the proposed Plan).

D. Solicitation of Financing and Ongoing Discussions

18. As described in my prior Affidavits, the Petitioners have canvassed the market extensively and taken significant steps to solicit both debt financing and equity investment in the O&F

Group. As detailed below, the Petitioners have received financing commitments from one working capital lender and four equity investors and are in the process of finalizing and executing definitive agreements in connection therewith.

i. Debt Financing

19. The O&F Group and HUK 165 Limited (“**Hilco**”) are negotiating terms for an asset-based, working capital facility (the “**ABL Facility**”), which is intended to support the O&F Group’s working capital needs following implementation of the Plan and emergence from these proceedings.
20. Discussions between the O&F Group and Hilco are advanced, and the parties are working diligently to finalize the terms of definitive agreements, which include third-party agreements to satisfy Hilco’s security requirements. Discussions in respect of those third-party agreements are also advancing diligently.
21. At a high-level, it is contemplated that the terms of the ABL Facility will involve, among other terms, the following:
 - (a) Hilco, as lender, will provide to O&F, as borrower, the ABL Facility, which has an authorized limit of \$7,000,000.00. Availability and quantum of draws are dependent upon the level, mix and location of inventory, and applicable reserves and carve-outs;
 - (b) O&F’s obligations under the ABL Facility will be guaranteed by the remainder of the O&F Group, on a joint and several basis, and by me through a limited recourse guarantee, and secured through a first-priority security interest over all of the O&F Group’s present and after-acquired personal property;
 - (c) O&F will be obligated to make monthly interest payments on amounts drawn;
 - (d) the ABL Facility matures in or around January 2027, at which time all indebtedness due and owing thereunder will be fully repayable; and
 - (e) material conditions precedent to the contemplated ABL Facility include, among other things, creditor approval and Court sanction of a contemplated Plan.

22. To facilitate the ABL Facility, and required security in favour of Hilco, the Petitioners have been engaged in discussions with their existing secured creditors (Business Development Bank of Canada and Shopify Inc.) in respect of repayment, carry-over and/or subordination of the secured amounts owing to them post-Plan implementation, and with the proposed equity investors about collateralization.
23. Based on those discussions, I believe that the existing secured creditors and the proposed equity investors are supportive of the Petitioners' proposed emergence plan and the proposed ABL Facility. The Petitioners will continue efforts to conclude documentation in respect of these arrangements.

ii. Equity Financing

24. In addition to the debt financing above described, the Petitioners have also secured equity financing totalling the sum of \$4,000,000.00 (plus applicable interests thereon) by way of a combination of (a) conversion of a significant portion of the Interim Financing Facility into equity, and (b) equity investment payable by cash consideration.
25. Klaus Lam and I are lenders under the Interim Financing Facility for the aggregate amount of \$1,700,000.00 (plus interest accrued thereon) and will convert these positions into equity by way of preferred shares, whether in our own names or through nominees, effective upon the implementation of the Plan.
26. In addition, 1562679 B.C. Ltd. and Great Times Enterprises Limited will invest the aggregate sum of \$2,300,000.00, either directly or through their nominees, payable in cash, for the purchase and subscription of preferred shares in the capital stock of O&F. These cash investments will be used, in part, to fund distributions to unsecured creditors pursuant to a Plan.
27. Both the conversion of debt under the Interim Financing Facility and the contemplated cash investment are conditional upon creditor approval and Court sanction of a Plan.

E. The Petitioners' Proposed Plan

28. The Petitioners are in the process of finalizing the terms of a proposed Plan and creditors' meeting materials and expect to file an application for a Meeting Order shortly, and to schedule a hearing at the earliest opportunity, which may be at or soon after the November 20 hearing. At this time, the elements required to finalize the Plan include, among other things, finalizing definitive documents for the debt and equity financing and further advancing discussions with certain creditors who have submitted claims that the Petitioners dispute.
29. The Petitioners' anticipated timeline is:
- (a) Creditors' meeting: mid-December 2025;
 - (b) Sanction order and US recognition order: early January 2026; and
 - (c) Plan implementation: by the end of January 2026.

II. PROPOSED INSURANCE PREMIUM FINANCING

30. The Petitioners' commercial insurance policy (including D&O insurance and cyber insurance) was renewed effective on November 6, 2025, with a total renewal premium of \$183,746.00, of which approximately \$153,531.00 ("**Renewal Premium**") relates to the Canadian policy. Consistent with past practice, coverage includes general commercial liability (up to \$5,000,000), property insurance, and cyber security insurance. The Renewal Premium is due and payable on December 6, 2025, and is not yet paid.
31. The Petitioners' insurance broker, Willis Canada Inc. ("**WCI**"), has advised that its premium financing provider, CAFO, is prepared to provide financing for the Renewal Premium subject to certain conditions, detailed below. The Petitioners have requested from WCI payments by monthly installments and insurance premium financing. This approach is consistent with the Petitioners' practice prior to these proceedings and facilitates additional liquidity.
32. The Petitioners understand, based on information provided by WCI, that CAFO will review, and expects to approve, O&F's credit application once the Petitioners have

obtained approval from the Court to enter into a financing agreement on certain terms. Based on discussions with the WCI, the Petitioners understand the key terms of the anticipated Premium Financing to include the following:

- (a) under the terms of the Premium Financing, which shall be set out in one or more Continuous Premium Instalment Contracts (each “**PIC**”) to be entered into between the Petitioners (or one or any combination of them) and CAFO, CAFO will advance funds sufficient to pay the entirety of the Renewal Premium due on December 6, 2025 to ensure policy continuance;
- (b) the applicable Petitioner(s) shall pay monthly installment payments in respect of the Premium Financing;
- (c) as a condition precedent to the Premium Financing, the applicable Petitioner(s) shall pay a one-time sum in advance of loan disbursement, representing 35% of the Renewal Premium (approximately \$53,736.00), with the balance of the amount (\$99,795.00) to be paid in seven monthly installments;
- (d) as a condition precedent to CAFO’s approval of the Premium Financing, the Petitioners shall have obtained an Order from the Court which approves and the following terms in respect of the Premium Financing that:
 - (i) in the event of a default of payment under a PIC, CAFO shall be permitted, without further Order of the Court and notwithstanding the stay of proceedings set out in the SARIO or any other Order of the Court in these proceedings, to exercise its rights under the PIC to cancel the financed policies and to receive any unearned premiums which may be refunded by the insurers as a result (the “**Unearned Premiums**”); and
 - (ii) the Unearned Premiums shall be unencumbered by any existing or future CCAA Charges or Encumbrances (as defined in the SARIO).

33. CAFO’s financing is necessary to allow the Petitioners to continue operating the business in the normal course during the pendency of these proceedings.

34. I understand that the Monitor is supportive of the premium financing arrangement and is supportive of the requested relief required by CAFO.

III. FINANCIAL UPDATE, CASH FLOW FORECAST, AND REQUESTED STAY EXTENSION

35. The O&F Group has prepared a consolidated cash flow forecast for the period from September 22, 2025 to November 23, 2025 which was appended to the Monitor's Third Report as Appendix A and summarized in section 4.0 of that report. As of the date of this Affidavit, the Petitioners have again reported a positive variance and have generated collections in line with the forecast.
36. 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.
37. With the assistance of the Monitor, the Petitioners have prepared a consolidated 13-week cash flow forecast for the O&F Group for the period commencing on November 10, 2025 and ending on February 8, 2026, as attached as an appendix to the Monitor's Fourth 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* through February 2026. Although the Petitioners intend to be back before this Court in connection with the forthcoming Plan, we seek the extension through February 2, 2026 so that all efforts, and court appearances, will be focused on preparing and implementing the Plan.
38. 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, being, concluding the financing documents, resolving disputed creditor claims, and finalizing the terms of the Plan.
39. Based on the Cash Flow Forecast and the Petitioners' contemplated application for a Meeting Order, the Petitioners seek to extend the Stay Period from November 21, 2025 to February 2, 2026. 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, including the Plan;
- (b) continuing to operate the business as a going concern;
- (c) the Petitioners, together with their financial advisor, will continue their efforts to finalize the terms of equity and debt financing, and resolution of certain creditor claims, as described above; and
- (d) returning to Court to seek relief in connection with the forthcoming Plan.

IV. CONCLUSION

40. 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 and seek the approval, sanction and implementation of the Plan.
41. Importantly, I believe the Plan is in the best interests of the O&F Group's stakeholders, and constitutes the best available path to enable its business to preserve value and carry on as a going concern. Accordingly, the continuation of these CCAA Proceedings and the 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 November 17, 2025



A Commissioner for taking Affidavits for
British Columbia



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PETITIONERS

AFFIDAVIT

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