

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

OAK AND FORT CORP., *et al.*,¹

Debtors in a Foreign Proceeding.

Chapter 15

Case No. 25-11282 (MG)

Jointly Administered

**SUPPLEMENTAL DECLARATION OF MIN GYOUNG KANG
IN SUPPORT OF VERIFIED PETITION FOR ENTRY OF AN
ORDER RECOGNIZING FOREIGN MAIN PROCEEDINGS AND
GRANTING ADDITIONAL RELIEF**

I, Min Gyoung Kang, hereby declare:

1. I am a director, Chief Executive Officer, and founder of Oak and Fort Corp. (“O&F Canada”), 1282339 B.C. Ltd. (“B.C. Ltd.”), Oak and Fort US Group, Inc. (“O&F US”), Oak and Fort Enterprise (U.S.), Inc. (“O&F Enterprise”), NYM Merger Holdings LLC (“NYM Merger”), and Oak and Fort California, LLC (“O&F California” and together with O&F, B.C. Ltd., O&F US, O&F Enterprise, and NYM, the “Company” or the “Debtors”), residing in Vancouver, Canada.

1. I previously submitted a declaration dated June 7, 2025 [Docket No. 5] (the “First Kang Declaration”)² in support of the Foreign Representative’s *Verified Petition for Entry of Order Recognizing Foreign Main Proceedings and Granting Related Relief* [Docket No. 6] (the “Verified Petition”) and the *Motion of KSV Restructuring Inc., as Foreign Representative of Oak*

¹ The Debtors in these Chapter 15 cases, along with the last four digits of each Debtor’s U.S. Federal Employer Identification Number (“FEIN”) or Canada Revenue Agency Business Number (“BN”), are: Oak and Fort Corp. (BN 0003); 1282339 B.C. Ltd. (BN 0001); Oak and Fort US Group, Inc. (FEIN 1236); Oak and Fort Enterprise (U.S.), Inc. (FEIN 0468), NYM Merger Holdings LLC (FEIN 6949), and Oak and Fort California, LLC (FEIN 6937). The Debtors’ headquarters are located at 100-7 East 6th Ave, Vancouver, British Columbia, Canada.

² Unless otherwise noted, capitalized terms used but not defined herein have the meanings assigned to them in the First Kang Declaration and, if not defined therein, the Proposed SARIO (defined below), as applicable.

and Fort Corp. and Its Affiliates, for an Order Granting Certain Provisional Relief [Docket No. 7] (the “Provisional Relief Motion”), which is incorporated herein by reference.

2. Concurrently herewith, the Foreign Representative filed the *Supplement to Verified Petition for Entry of Order Recognizing Foreign Main Proceedings and Granting Additional Relief* [Docket No. 26] (the “Supplement to Verified Petition,” and together with the Verified Petition, the Petition for Recognition”).

3. I submit this declaration as a supplement to the First Kang Declaration, in further support of the Petition for Recognition. As I previously stated in the First Kang Declaration, in my role as the director and CEO of the Debtors, I am involved in all operational and organizational aspects of the Debtors’ business, including approving all the strategic decisions of the Debtors. Therefore, I am familiar with the business and have personal knowledge of the matters set forth herein.

4. Except as otherwise indicated, all statements in this declaration are based upon (a) my personal knowledge, (b) my review of the Debtors’ books and records, relevant documents and other information prepared or filed in connection with the Canadian Proceedings and the Chapter 15 Cases, (c) information supplied to me by the other members of the senior management teams of the Debtors and the Debtors’ legal advisors, or (d) my experience and knowledge of the Debtors’ operations and financial condition.

5. If called to testify as a witness, I could and would competently testify to each of the facts set forth herein based upon my personal knowledge, review of documents or opinion.

I. The Debtors’ Activities Since the Petition Date

6. Since the Petition Date, the Company, with the assistance of the Company’s CRO and its advisors and professionals, together with the Monitor, has worked diligently to advance its

restructuring, including by, among other things:

- (a) advising and engaging with vendors, suppliers, and other creditors regarding the Canadian Proceedings, the Company's business during these proceedings, 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;
- (c) soliciting, considering and assessing the various DIP financing options available to the Debtors and, as discussed below, ultimately negotiating and executing the Interim Financing Term Sheet (discussed below), subject to court approval;
- (d) negotiating and entering into post-filing supply agreements with certain critical suppliers;
- (e) vacating and surrendering possession of the retail premises located at Westfield San Francisco Centre as a result of the landlord's breach of its obligations to, among other things, operate and maintain the Shopping Centre at a level comparable to other shopping malls;
- (f) assessing the Company's operations at each physical retail location with a view to determining which leases may need to be renegotiated or disclaimed; and
- (g) continuing to operate and manage the business and operations of the Company in the ordinary course.

II. The ARIIO

7. The Debtors had their initial "come back" hearing in the Canadian Proceedings on June 16, 2025, and on June 20, 2025, the Canadian Court entered an Amended and Restated Initial Order made June 16, 2025 (the "ARIO"). The ARIIO included the following additional and/or incremental relief relative to the Initial Order:

- a. an extension of the "Stay Period" through and including July 4, 2025;
- b. the creation of a directors' and officers' charge in the amount of CAD \$3,400,000 (the "Directors' Charge");
- c. the creation of an intercompany charge (the "Intercompany Charge") to secure the repayment of any advances from one Debtor to another (i.e., intercompany advances) during the pendency of the Canadian Proceedings;
- d. an increase of the amount of the Administrative Charge to CAD \$500,000;

- e. an order that the aforementioned Directors' Charge, Intercompany Charge and Administrative Charge constitute a charge on the Debtors' assets ranking ahead of all other claims and encumbrances save and except for the security interest of Royal Bank of Canada ("RBC") in cash collateral in the possession of RBC; and
- f. authorizing the Debtors to undertake a restructuring, including to disclaim agreements, including leases, pursuant to the CCAA.

III. The Debtors' Need for DIP Financing and Execution of the DIP Term Sheet

8. As set out in the Company's cash flow forecast for the period ending July 6, 2025 attached hereto as **Exhibit 1**, the Company requires additional funding as of the week commencing July 6, 2025, in order to continue operations. To that end, the Debtors have negotiated and entered into a DIP Term Sheet dated as of June 25, 2025 (the "Interim Financing Term Sheet," and the facility thereunder, the "Interim Facility"), a copy of which is attached to the Supplement to Verified Petition.

9. The Company's execution of the Interim Financing Term Sheet was the culmination of a marketing process to attract and negotiate financing terms that were most favorable to the Company and aligned with its strategic initiatives. Since the Petition Date, the Company had been in discussions with third parties regarding potential DIP financing. The Company ultimately approached, or was approached by, over 15 prospective interim lenders.

10. Apart from the Interim Lender (defined below), only one other party (the same party the Debtors had been in discussions with prior to the Petition Date) engaged meaningfully in the opportunity; however, the Debtors (in consultation with their CRO, advisors and professionals) and the Monitor determined that the indicative terms offered by that lender were less favorable than those under the proposed Interim Facility. The former opportunity included a borrowing base requirement, with inventory forming the collateral package, which created challenges to provide

favorable interim financing due to the Debtors' limited inventory and macroeconomic factors impacting the retail industry (such as tariffs, high interest rates etc.).

11. The Interim Facility is being offered by a group of individual private lenders, namely, Klaus Lam, Bo Ra Kim, Min-Seon Scott Park, Bear and Otter Holdings Ltd., and myself (collectively, the "Interim Lender"). The facility provides the Debtors with DIP financing up to the aggregate maximum facility amount of CAD \$2.5 million (the "Interim Financing"), subject to Court approval.

12. The Interim Financing is subject to the following key terms:

- (a) the Interim Lender, as lender, will provide to O&F Canada, as borrower, a debtor-in-possession, non-revolving credit facility in the aggregate maximum principal amount of CAD \$2.5 million;
- (b) the remaining Debtors will each be guarantors pursuant to certain unlimited guarantees;
- (c) the Interim Financing will be made in multiple draws, with an initial advance of CAD \$1.8 million (the "Initial Advance") and subsequent advances being provided to O&F Canada on an as needed basis, subject to the Monitor's approval;
- (d) amounts outstanding under the facility will bear interest at the rate of 15% *per annum*, calculated monthly and payable in cash at maturity;
- (e) there is no prepayment penalty;
- (f) fees earned and payable in respect of the Interim Financing are as follows:
 - (i) a non-refundable commitment fee in the amount of CAD \$50,000, representing 2% of the Initial Advance, which will be earned and payable as of July 4, 2025;
 - (ii) an exit fee in the amount of the lesser of (A) CAD \$50,000 or (B) 2% of the outstanding loan amount, payable upon the repayment or the maturity of the loan;
- (g) the indebtedness owing to the Interim Lender shall be due and payable on the earliest of the following:
 - (i) 6 months from the date of the Initial Advance (or such later date as may be agreed to by the parties);

- (ii) the date on which a restructuring transaction which has been approved by the Court is implemented;
 - (iii) the closing of a sale or similar transaction for all or substantially all of the Debtors' property pursuant to a Court-approved sales process;
 - (iv) the occurrence of an event of default which has not been waived by the Interim Lender, and in respect of which the Interim Lender has elected to accelerate the obligations owing in respect of the Interim Financing;
 - (v) the lifting of the stay of proceedings in the Canadian Proceedings without the Interim Lender's consent; or
 - (vi) the termination of the Canadian Proceedings; and
- (h) The Interim Financing is conditioned on the Canadian Court's approval of the Interim Financing Term Sheet and the charge in favor of the Interim Lender to secure the Debtors' obligations to the Interim Lender under the Interim Financing Term Sheet (the "Interim Lender's Charge") as contemplated in the Proposed SARIO submitted to the Canadian Court. Further, the Second Advance under the Interim Facility is conditioned upon this Court's recognition and enforcement of the Interim Lender's Charge.

13. Given the Debtors' current financial circumstances, the Interim Lender has indicated that it is not prepared to advance funds beyond the Initial Advance until this Court recognizes and enforces the Interim Lender's Charge.

14. As noted above, I am personally advancing funds to O&F Canada as a member of the lender group. The other private, individual lenders who comprise the lender group are my personal contacts, and, based on my experience in negotiating financing arrangements for O&F Canada, have agreed to provide financing on terms more favorable than would otherwise be available from institutional or other private lenders. In this regard, while I (in my capacity as interim lender) will be a beneficiary of the Interim Lender's Charge to the extent of my proportionate share of the advances made, I consider the terms set out in the Interim Financing Term Sheet to represent the best option available to the Company, taking into account its financial position and circumstances. I believe that the funding made available by the Interim Lender

pursuant to the Interim Financing is in the best interests of the Company's stakeholders including because it will ensure the Company can operate while it pursues a restructuring for the benefit of its stakeholders.

15. There is no suggestion from the Interim Lender, or from any of the other potential lenders with whom the Debtors had been in discussions, that they would be willing to advance funds to the Company without a charge over the Debtors' property which ranks in priority to the claims of secured creditors. The cash collateral held by RBC represents a narrow exception.

16. The Debtors consulted with the Monitor and their CRO during the course of finalizing the terms of the Interim Financing. I understand the Monitor and the Debtors' CRO are supportive of the Interim Financing and the Interim Lender's Charge sought by the Debtors.

17. The Debtors, in consultation with their CRO and the Monitor, have prepared a cash flow forecast for the period commencing July 7, 2025, and ending on October 5, 2025, which assumes the Canadian Court and this Court approve the Interim Financing Term Sheet and the Interim Lender's Charge, as contemplated and set out in the Proposed SARIO. If approved, the Company expects to be able to fund its operations until at least October 3, 2025. Attached hereto as **Exhibit 2** is the Company's cash flow forecast for the period ending October 5, 2025.

18. The circumstances that compelled the Debtors to seek protection under the CCAA and their liquidity crisis have not changed since the Petition Date, and are unlikely to change significantly without sufficient time for the business to implement appropriate right-sizing strategies. The Company continues to experience cash flow constraints which necessitate funding by the Interim Lender so that it can carry on business as a going concern.

IV. The Proposed SARIO

19. On June 27, 2025, the Debtors filed an application in the Canadian Proceedings

seeking approval and entry of a Second Amended and Restated Initial Order (the “Proposed SARIO”), which the Debtors are requesting that the Canadian Court authorize and approve, along with certain other relief at a hearing before the Canadian Court scheduled for July 4, 2025 (the “July 4th Canadian Court Hearing”).

20. The Proposed SARIO extends and supplements the relief provided in the ARIО, and provides the following additional and/or incremental relief relative to the Initial CCAA Order and ARIО:

- (i) an extension of the Stay Period through and including October 3, 2025;
- (ii) authorization for the Debtors to enter into the Interim Financing Term Sheet and borrow under the Interim Facility, in the maximum aggregate principal amount of CAD \$2.5 million; and
- (iii) approval of the Interim Lender’s Charge.

21. In the absence of additional funding, the Debtors are anticipated to run out of funds during the week commencing July 7, 2025. Under the circumstances, I believe the Interim Facility contains reasonable terms and conditions. As discussed, the terms of the Interim Facility are the product of good faith and arms-length negotiations among the parties. In negotiating the Interim Facility, the Debtors consulted with the CRO and the Monitor, both of which are sophisticated financial advisory firms, and the Debtors themselves were represented by sophisticated counsel with extensive experience in the restructuring industry in Canada and the United States. The Debtors’ decision to move forward with the Interim Facility following the negotiation process is well within the Debtors’ sound business judgment. I believe the Interim Facility represents the most favorable terms available to the Debtors and enables the Debtors to continue to operate and move forward in the restructuring process.

22. With the approval of the Interim Financing, the Company expects to continue to identify and effect cost-cutting measures and, in consultation with their CRO and the Monitor,

prepare and implement a restructuring strategy that will allow the business to emerge from these proceedings successfully. This strategy may involve, among other things, an operational restructuring including by way of reducing the Debtors' physical retail presence.

23. Accordingly, I submit that it is appropriate for the Court to recognize and give effect to the Interim Facility, and all of its terms, in the United States.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct to the best of my knowledge.

Dated: July 2, 2025

/s/ Min Gyoung Kang
Min Gyoung Kang

EXHIBIT 1

Cash Flow Forecast for Week Ending July 6, 2025

Oak and Fort Corp., 1282339 BC Ltd., Oak and Fort US Group Inc., Oak and Fort Enterprise US Inc., NYM Merger Holdings LLC, and Oak and Fort California LLC (the "Petitioners")

Projected Statement of Cash Flow

For the Period Ending July 6, 2025

(Unaudited; \$CAD, Thousands)

		Forecast	Forecast	Forecast	
		Week 1	Week 2	Week 3	
	Notes	22-Jun-25	29-Jun-25	6-Jul-25	Total
	1.				
<i>Receipts</i>					
Net sales	2.	1,853	1,966	2,122	5,941
<i>Disbursements</i>					
<i>Operating Costs:</i>					
Inventory Purchases	3.	(938)	(716)	(606)	(2,259)
Payroll	4.	-	(929)	-	(929)
Rent	5.	-	-	(991)	(991)
Operating Expenses	6.	(282)	(322)	(215)	(819)
Sales Tax	7.	-	-	(400)	(400)
<i>Total Operating Disbursements</i>		(1,220)	(1,967)	(2,212)	(5,398)
Net Cash Flow Before the Undernoted		633	(1)	(89)	543
Restructuring Costs	8.	(150)	(150)	(150)	(450)
<i>Net Cash Flow</i>		483	(151)	(239)	93
Opening Cash Balance		597	1,080	929	597
Net cash flow		483	(151)	(239)	93
Closing Total Cash Balance		1,080	929	690	690

Oak and Fort Corp., 1282339 BC Ltd., Oak and Fort US Group Inc., Oak and Fort Enterprise US Inc., NYM Merger Holdings LLC, and Oak and Fort California LLC (the "Petitioners")

Notes to Projected Statement of Cash Flow

For the Period Ending July 6, 2025

(Unaudited; \$CAD, Thousands)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of the Petitioners for the period June 16, 2025 to July 6, 2025 (the "Period") in respect of the Petitioners' proposed proceedings under the Companies' Creditors Arrangement Act ("CCAA").

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical Assumptions

2. Reflects the Petitioners estimated net daily sales collections for Canada and United States.

Probable Assumptions

3. Represents estimated payments for inventory purchases.
4. Represents the gross payroll obligations for the Petitioners' employees in Canada and the United States.
5. Represents rent payable for the Petitioners' leased premises in Canada and the United States.
6. Reflects estimated payments for general operating expenses, including utilities, software and IT, telecommunications and other miscellaneous expenses.
7. Represents monthly sales tax obligations paid in the normal course.
8. Reflects estimated professional fees for the Monitor, the Monitor's counsel, and the Petitioners' counsel and financial advisors, both in Canada and the United States.

COURT FILE NO.: S-254287

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 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**

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT

(paragraph 10(2)(b) of the CCAA)

The management 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 (collectively, the "Petitioners") has developed the assumptions and prepared the attached consolidated statement of projected cash flow as of the 13th day of June, 2025, for the period June 16th, 2025 to July 6th, 2025 (the "Cash Flow Forecast"). All such assumptions are disclosed in the notes to the Cash Flow Forecast.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Cash Flow Forecast as described in Note 1 to the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Petitioners and provide a reasonable basis for the Cash Flow Forecast.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at Vancouver, British Columbia this 13th day of June, 2025.

**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**



Per: Min Kang

EXHIBIT 2

Cash Flow Forecast for Week Ending October 5, 2025

Oak and Fort Corp., 1282339 BC Ltd., Oak and Fort US Group Inc., Oak and Fort Enterprise (U.S) Inc., NYM Merger Holdings LLC, and Oak and Fort California LLC (the "Petitioners")

Projected Statement of Cash Flow

For the Period Ending October 5, 2025

(Unaudited; \$CAD, Thousands)

		Week Ending														
		Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast		
		Week 1	Week 2	Week 3	Week 4	Week 5	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13		
		13-Jul-25	20-Jul-25	27-Jul-25	3-Aug-25	10-Aug-25	17-Aug-25	24-Aug-25	31-Aug-25	7-Sep-25	14-Sep-25	21-Sep-25	28-Sep-25	5-Oct-25	Total	
Notes																
1.																
<i>Receipts</i>																
Net sales	2.	1,948	2,126	2,253	1,923	1,928	1,534	1,601	1,683	1,863	1,749	1,980	1,918	1,763	24,270	
<i>Disbursements</i>																
<i>Operating Costs:</i>																
Inventory Purchases	3.	(687)	(736)	(633)	(534)	(481)	(570)	(471)	(643)	(504)	(504)	(504)	(504)	(497)	(7,268)	
Duties & Inbound Freight	4.	(602)	-	-	(421)	-	-	-	(599)	-	-	-	(601)	-	(2,224)	
Payroll	5.	(856)	-	(916)	-	(856)	-	(765)	-	(765)	-	(765)	-	(765)	(5,688)	
Rent	6.	-	(991)	-	(991)	-	(818)	-	(818)	-	(818)	-	(818)	-	(5,254)	
Operating Expenses	7.	(352)	(283)	(442)	(215)	(280)	(471)	(259)	(405)	(270)	(319)	(278)	(384)	(251)	(4,209)	
Sales Tax	8.	-	-	-	(554)	-	-	-	(594)	-	-	-	(520)	-	(1,667)	
<i>Total Operating Disbursements</i>		(2,497)	(2,010)	(1,992)	(2,716)	(1,618)	(1,859)	(1,495)	(2,241)	(2,357)	(823)	(2,364)	(2,009)	(2,331)	(26,310)	
Net Cash Flow Before the Undernoted		(549)	116	261	(793)	310	(324)	106	(558)	(493)	926	(384)	(91)	(567)	(2,040)	
Restructuring Costs																
	9.	(160)	(120)	(120)	(120)	(120)	(120)	(80)	(80)	(80)	(80)	(80)	(80)	(80)	(1,320)	
<i>Net Cash Flow</i>		(709)	(4)	141	(913)	190	(444)	26	(638)	(573)	846	(464)	(171)	(647)	(3,360)	
Opening Cash Balance		1,808	2,863	2,859	3,000	2,087	2,277	2,533	2,559	1,921	1,348	2,194	1,730	1,560	1,808	
Net cash flow		(709)	(4)	141	(913)	190	(444)	26	(638)	(573)	846	(464)	(171)	(647)	(3,360)	
Interim Financing Draws/(Repayment)	10.	1,800	-	-	-	-	700	-	-	-	-	-	-	-	2,500	
Interim Financing Fees & Interest Payment	11.	(36)	-	-	-	-	-	-	-	-	-	-	-	(130)	(166)	
Closing Total Cash Balance		2,863	2,859	3,000	2,087	2,277	2,533	2,559	1,921	1,348	2,194	1,730	1,560	782	782	

Oak and Fort Corp., 1282339 BC Ltd., Oak and Fort US Group Inc., Oak and Fort Enterprise (U.S) Inc., NYM Merger Holdings LLC, and Oak and Fort California LLC (the "Petitioners")

Notes to Projected Statement of Cash Flow

For the Period Ending October 5, 2025

(Unaudited; \$CAD, Thousands)

Purpose and General Assumptions

1. The purpose of the projection is to present a cash flow forecast of the Petitioners for the period July 7, 2025 to October 5, 2025 (the "Period") in respect of the Petitioners' proceedings under the Companies' Creditors Arrangement Act ("CCAA").

The cash flow projection has been prepared based on hypothetical and most probable assumptions.

Hypothetical Assumptions

2. Reflects the Petitioners estimated net daily sales collections for Canada and United States.

Probable Assumptions

3. Represents estimated payments for inventory purchases.
4. Represents estimated payments for duties and inbound freight related to inventory purchases.
5. Represents the gross payroll obligations for the Petitioners' employees in Canada and the United States.
6. Represents go-forward rent payable on the 1st and 15th of each month for the Petitioners' leased premises in Canada and the United States. The cash flow does not include any rent payable for prior periods and assumes that rent for June 2025 was appropriately paid in full.
7. Reflects estimated payments for general operating expenses, including utilities, software and IT, telecommunications and other miscellaneous expenses.
8. Represents monthly sales tax obligations paid in the normal course.
9. Reflects estimated professional fees for the Monitor, the Monitor's counsel, and the Petitioners' counsel and financial advisors, both in Canada and the United States.
10. Reflects estimated draws on the interim facility pursuant to the Interim Financing Term Sheet.
11. Reflects fees and interest payable on the interim facility pursuant to the terms of the Interim Financing Term Sheet.

COURT FILE NO.: S-254287

IN THE SUPREME COURT OF BRITISH COLUMBIA

**IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 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**

MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)

The management 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 (collectively, the "Petitioners") has developed the assumptions and prepared the attached consolidated statement of projected cash flow as of the 30th day of June, 2025, for the period July 7th, 2025 to October 5th, 2025 (the "Cash Flow Forecast"). All such assumptions are disclosed in the notes to the Cash Flow Forecast.

The hypothetical assumptions are suitably supported and consistent with the purpose of the Cash Flow Forecast as described in Note 1 to the Cash Flow Forecast, and the probable assumptions are suitably supported and consistent with the plans of the Petitioners and provide a reasonable basis for the Cash Flow Forecast.

Since the Cash Flow Forecast is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow Forecast has been prepared solely for the purpose outlined in Note 1 using a set of hypothetical and probable assumptions set out therein. Consequently, readers are cautioned that the Cash Flow Forecast may not be appropriate for other purposes.

Dated at Vancouver, British Columbia this 30th day of June, 2025.

**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**



Per: Min Kang