

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) WEDNESDAY, THE 3rd
)
JUSTICE CAVANAGH) DAY OF DECEMBER, 2025

B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

**2225909 ONTARIO INC. and 2397495 ONTARIO LTD. and 2619342 ONTARIO INC.
and AL-BAASIT FOODS INC. and AL-HAADI FOODS INC. and AL-HAQQ FOODS
INC. and AL-KHALIQ FOODS INC. and AL-MUEED FOODS INC. and AL-RAZZAAQ
FOODS INC. and AL-WAALI FOODS INC. and AL-WAKEEL FOODS INC. and AN-
NAAFI FOODS INC. and MIFK FOODS INC. and Y & F FOOD CORPORATION LTD.**

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by the Applicant Meridian Credit Union Limited for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between BDO Canada Limited, in its capacity as the Court-appointed interim receiver (in such capacity the "**Interim Receiver**") of the undertaking, property and assets of, among others, An-Naafi Foods Inc. (the "**Debtors**"), and HFL Restaurants Parkway Inc. (the "**Purchaser**") dated November 7, 2025, and appended to the Second Report of the Interim Receiver dated November 27, 2025 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale

Agreement (the "**Purchased Assets**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Report and on hearing the submissions of counsel for Meridian Credit Union Ltd., the Interim Receiver, and any other parties as listed in the Counsel Sheet, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Tiegan Kilbride sworn November 28, 2025:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of: (a) the Sale Agreement by the Interim Receiver, (b) an agreement assigning the Sale Agreement to the BDO Canada Limited in its capacity as Receiver of, among others, the Debtor, and (c) any other agreements or documents ancillary to the Transaction and the Sale Agreement, is hereby authorized and approved, with such minor amendments as the Interim Receiver or the Receiver may deem necessary. The Receiver is hereby authorized to assume the obligations in the sale Agreement and is further authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Interim Receivership Order of the Honourable Justice Osborne dated October 10, 2025 and the Receivership Order of the Honourable Justice Cavanagh dated December 3, 2025; and (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system.

3. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

4. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

5. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

6. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully

requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A – Form of Receiver’s Certificate

Court File No. _____

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B E T W E E N:

MERIDIAN CREDIT UNION LIMITED

Applicant

- and -

**2225909 ONTARIO INC. and 2397495 ONTARIO LTD. and 2619342 ONTARIO INC.
and AL-BAASIT FOODS INC. and AL-HAADI FOODS INC. and AL-HAQQ FOODS
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NAAFI FOODS INC. and MIFK FOODS INC. and Y & F FOOD CORPORATION LTD.**

Respondent

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Cavanagh of the Ontario Superior Court of Justice (the "**Court**") dated December 3rd, 2025, BDO Canada Limited was appointed as the receiver (in such capacity, the "**Receiver**") of the undertaking, property and assets of, among others, An-Naafi Foods Inc. (collectively, the "**Debtors**").

B. Pursuant to an Order of the Court dated December 3rd, 2025, the Court approved the agreement of purchase and sale made as of November 7th, 2025 (the "**Sale Agreement**"), between BDO Canada Limited in its capacity as Interim Receiver of the Debtor (in such capacity, the "**Interim Receiver**") and HFL Restaurants Parkway Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in the Sale

Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**BDO Canada Limited, in its capacity as
Receiver of the undertaking, property and
assets of, among others, An-Naafi Foods Inc.
and not in its personal capacity**

Per: _____

Name:

Title:

IN THE MATTER OF SECTIONS 47, 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C.1985, c.B-3 AS AMENDED;
IN THE MATTER OF SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O.
1990 c.C-43, AS AMENDED

MERIDIAN CREDIT UNION LIMITED
Applicant

-and-

2225909 ONTARIO INC. et al.
Respondents

Court File No.: CV-25-00753523-00CL

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PROCEEDING COMMENCED AT
TORONTO

ORDER

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