



SUPERIOR COURT OF JUSTICE
COUNSEL SLIP

COURT FILE

NO.: CV-22-00678884-00CL

DATE: August 26, 2022

NO. ON LIST 2

TITLE OF
PROCEEDING

EVE & CO INTERNATIONAL HOLDINGS LTD et al

BEFORE MADAM JUSTICE CONWAY

COUNSEL FOR:

- PLAINTIFF(S)
 APPLICANT(S)
 PETITIONER(S)

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Conway J. Endorsement

All defined terms used in this Endorsement shall, unless otherwise defined, have the meanings ascribed to them in the Notice of Motion for today's hearing.

The Applicants bring this motion for an extension of the Current Stay Period to September 30, 2022, approval of an increase in the DIP Loan (and DIP Lender's Charge) from \$2.2 million to \$2.8 million, and an increase in the Administration Charge from \$500,000 to \$700,000.

The motion is unopposed.

The Applicants have run the Sale Process and are in discussions with one of the offerors that submitted a bid in that process. They seek the stay extension to be able to complete those negotiations and finalize a purchase agreement for court approval. The proposed transaction would see the business of the Applicants continue as a going concern.

In the meantime, the increase in DIP is required to fund operations – most significantly, to pay the insurance and hydro on the greenhouse facility that is a key asset of the business. The increase in the Administration Charge is being sought to protect the professionals whose fees have not been paid since May 2022.

Counsel for RBC and the Van Englens attended today. They advised the court that while they have concerns, they feel that it is the better course of action to permit negotiations on the prospective sale transaction to continue and for operations to be conducted during the extension period. They are therefore not opposing the relief sought today.

The Monitor supports the extension and related relief, as set out in its Second Report.

I am granting the requested order to give the Applicants time to continue the negotiations with the bidder and maintain the operations in the meantime. I consider this the best course of action for the stakeholders at this time.

Order to go as signed by me and attached to this Endorsement. This order is effective from today's date and is enforceable without the need for entry and filing.

A handwritten signature in blue ink, appearing to read "Conway J.", is located at the bottom left of the page.