

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

|                  |   |                              |
|------------------|---|------------------------------|
| THE HONOURABLE   | ) | FRIDAY, THE 16 <sup>TH</sup> |
|                  | ) |                              |
| JUSTICE CAVANAGH | ) | DAY OF DECEMBER, 2022        |

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,  
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF  
THE FLOWR CORPORATION, THE FLOWR CANADA HOLDINGS ULC, THE  
FLOWR GROUP (OKANAGAN) INC., AND TERRACE GLOBAL INC.

(each an “Applicant” and collectively, the “Applicants”)

**ORDER**

**(Re: Third Report, Conduct and Activities of the Monitor, and Stay Extension)**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, and c. C-36, as amended (the “CCAA”) was heard this day by Zoom video conference.

**ON READING** the Motion Record of the Applicants and the Third Report of Ernst & Young Inc., dated December 13, 2022 (the “**Third Report**”) in its capacity as Monitor of the Applicants (the “**Monitor**”), and on hearing the submissions of counsel for the Applicants, the Monitor, Avant Brands K1 Inc. (in its capacities as DIP Lender and Purchaser), and those other parties appearing as indicated by the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Alina Stoica sworn December 13, 2022,

**SERVICE**

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and the Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.

**STAY EXTENSION**

2. **THIS COURT ORDERS** that the Stay Period, as defined in the Amended and Restated Initial Order granted by Mr. Justice Cavanagh dated October 20, 2022, is hereby extended up to and including February 26, 2023.

**APPROVAL OF THE MONITOR'S REPORT AND ACTIVITIES**

3. **THIS COURT ORDERS** that the Pre-Filing Report of the Monitor dated October 20, 2022, the First Report of the Monitor dated October 27, 2022, the Second Report of the Monitor dated November 2, 2022, and the Third Report, and the activities and conduct set out therein, be and are hereby approved, provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

**GENERAL**

4. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or elsewhere, to give effect to this Order and to assist the Applicants, the Monitor and their respective 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 Applicants and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Applicants and the Monitor and their respective agents in carrying out the terms of this Order.

5. **THIS COURT ORDERS** that each of the Applicants and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

6. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.

7. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

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1985, c.C-36 AS AMENDED  
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Court File No.: CV-22-00688966-00CL

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Proceeding commenced at Toronto

**ORDER RE THIRD REPORT, CONDUCT AND**  
**ACTIVITIES OF THE MONITOR, STAY**  
**EXTENSION, AND SEALING**  
**(RETURNABLE DECEMBER 16, 2022)**

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