

No. S197744
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

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

BETWEEN:

MINISO INTERNATIONAL HONG KONG LIMITED, MINISO INTERNATIONAL (GUANGZHOU) CO. LIMITED, MINISO LIFESTYLE CANADA INC., MIHK MANAGEMENT INC., MINISO TRADING CANADA INC., MINISO CORPORATION and GUANGDONG SAIMAN INVESTMENT CO. LIMITED

PETITIONERS

AND:

MIGU INVESTMENTS INC., MINISO CANADA INVESTMENTS INC., MINISO CANADA STORE INC., MINISO (CANADA) STORE ONE INC., MINISO (CANADA) STORE TWO INC., MINISO (CANADA) STORE THREE INC., MINISO (CANADA) STORE FOUR INC., MINISO (CANADA) STORE FIVE INC., MINISO (CANADA) STORE SIX INC., MINISO (CANADA) STORE SEVEN INC., MINISO (CANADA) STORE EIGHT INC., MINISO (CANADA) STORE NINE INC., MINISO (CANADA) STORE TEN INC., MINISO (CANADA) STORE ELEVEN INC., MINISO (CANADA) STORE TWELVE INC., MINISO (CANADA) STORE THIRTEEN INC., MINISO (CANADA) STORE FOURTEEN INC., MINISO (CANADA) STORE FIFTEEN INC., MINISO (CANADA) STORE SIXTEEN INC., MINISO (CANADA) STORE SEVENTEEN INC., MINISO (CANADA) STORE EIGHTEEN INC., MINISO (CANADA) STORE NINETEEN INC., MINISO (CANADA) STORE TWENTY INC., MINISO (CANADA) STORE TWENTY-ONE INC. and MINISO (CANADA) STORE TWENTY-TWO INC.

RESPONDENTS

ORDER MADE AFTER APPLICATION
(INITIAL ORDER)

BEFORE THE HONOURABLE MADAM)
JUSTICE FITZPATRICK) JULY 12, 2019

THE APPLICATION of the Petitioners coming on for hearing at Vancouver, British Columbia, on the 12th day of July, 2019 (the “**Order Date**”); AND ON HEARING Kibben Jackson and Glen Nesbitt, counsel for the Petitioners, Vicki Tickle and Daniel Shouldice, counsel for the Respondents, and Jordan Schultz, counsel for Alvarez & Marsal Canada Inc.; AND UPON READING the material filed, including the First Affidavit of Qihua Chen sworn July 11, 2019 (the “**First Chen Affidavit**”), the consent of Alvarez & Marsal Canada Inc. to act as Monitor and the Proposed Monitor’s Pre-Filing Report dated July 12, 2019 (the “**Pre-Filing Report**”); AND UPON BEING ADVISED that the secured creditors who are likely to be affected by the charges created herein were given notice; AND pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985 c. C-36 as amended (the “**CCAA**”), the British Columbia Supreme Court Civil Rules and the inherent jurisdiction of this Honourable Court;

THIS COURT ORDERS AND DECLARES THAT:

JURISDICTION

1. The Respondents (otherwise referred to herein as the “**Debtors**”) are companies to which the CCAA applies.

SUBSEQUENT HEARING DATE

2. The hearing of the Debtors’ application for an extension of the Stay Period (as defined in paragraph 18 of this Order) and for any ancillary relief (the “**Comeback Hearing**”) shall be held at the Courthouse at 800 Smithe Street, Vancouver, British Columbia at 10:00 a.m. on Monday, the 22nd day of July, 2019 or such other date as this Court may order.

PLAN OF ARRANGEMENT

3. The Debtors shall have the authority to file and may, subject to further order of this Court, file with this Court a plan of compromise or arrangement (hereinafter referred to as the “**Plan**”).

POSSESSION OF PROPERTY AND OPERATIONS

4. Subject to this Order and any further Order of this Court, the Debtors shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), and continue to carry on their business (the “**Business**”) in the ordinary course and in a manner consistent with the preservation of the Business and the Property. The Debtors shall be authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively, “**Assistants**”) currently retained or employed by them, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for carrying out the terms of this Order.

5. The Debtors shall be entitled to continue to utilize the central cash management system currently in place or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System: (i) shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Debtors of funds transferred, paid, collected or otherwise dealt with in the Cash Management System; (ii) shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Debtors, pursuant to the terms of the documentation applicable to the Cash Management System; and (iii) shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

6. The Debtors shall, at the request of the Monitor (as defined herein), immediately take steps to add to or remove from signing authority for any or all of the Debtors’ bank accounts such persons as the Monitor may direct.

7. The Debtors are hereby authorized to pay the following expenses which may have been incurred prior to the Order Date:

- (a) all outstanding wages, salaries, employee and pension benefits (including long and short term disability payments), vacation pay and expenses (but excluding severance pay) payable before or after the Order Date, in each case incurred in the ordinary course of business and consistent with the relevant compensation policies and arrangements existing at the time incurred (collectively, "Wages"); and
- (b) subject to the covenants contained in the Definitive Documents (as hereinafter defined), the fees and disbursements of any Assistants retained or employed by the Debtors which are related to the Debtors' restructuring, at their standard rates and charges, including payment of the fees and disbursements of legal counsel retained by the Debtors, whenever and wherever incurred, in respect of these proceedings.

8. Except as otherwise provided herein, the Debtors shall be entitled to pay all expenses reasonably incurred by the Debtors in carrying on the Business in the ordinary course following the Order Date, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably incurred and which are necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors' and officers' insurance), maintenance and security services, provided that any capital expenditure exceeding \$5,000 shall be approved by the Interim Lender (as defined herein);
- (b) all obligations incurred by the Debtors after the Order Date, including without limitation, with respect to goods and services actually supplied to the Debtors following the Order Date (including those under purchase orders outstanding at

the Order Date but excluding any interest on the Debtors' obligations incurred prior to the Order Date); and

- (c) fees and disbursements of the kind referred to in paragraph 7(b) which may be incurred after the Order Date.

9. The Debtors, with the consent of the Monitor and the Interim Lender, are authorized to enter into agreements with their employees employed at the Debtors' retail stores to provide for incentives to continue working at any such retail stores that are to be closed during the pendency of these proceedings.

10. The Debtors are authorized but not required to remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from Wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, (iii) Quebec Pension Plan, and (iv) income taxes or any such claims which are to be paid pursuant to Section 6(3) of the CCAA;
- (b) all goods and services or other applicable sales taxes (collectively, "Sales Taxes") required to be remitted by the Debtors in connection with the sale of goods and services by the Debtors, but only where such Sales Taxes accrue or are collected after the Order Date, or where such Sales Taxes accrued or were collected prior to the Order Date but not required to be remitted until on or after the Order Date; and
- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal property taxes, municipal business taxes or other taxes, assessments or

levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors.

11. From and after the Order Date, the Debtors shall not, without the prior approval of the Monitor, make any payments pursuant to this Order other than those contemplated by the cash-flow forecast attached as Appendix "B" to Pre-Filing Report, as same may be amended from time to time.

12. Until such time as a real property lease is disclaimed or resiliated in accordance with the CCAA, the Debtors shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable as rent to the landlord under the lease) based on the terms of existing lease arrangements or as otherwise may be negotiated between the Debtors and the landlord from time to time ("**Rent**"), for the period commencing from and including the Order Date, twice-monthly in equal payments on the first and fifteenth day of the month in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including Order Date shall also be paid.

13. Except as specifically permitted herein, the Debtors are hereby directed, until further Order of this Court:

- (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by the Debtors to any of their creditors as of the Order Date except as authorized by this Order;
- (b) to make no payments in respect of any financing leases which create security interests;
- (c) to grant no security interests, trusts, mortgages, liens, charges or encumbrances upon or in respect of any of the Property, nor become a guarantor or surety, nor otherwise become liable in any manner with respect to any other person or entity except as authorized by this Order;

- (d) to not grant credit to any customer or other Person; and
- (e) to not incur liabilities except in the ordinary course of Business.

RESTRUCTURING

14. Subject to such requirements as are imposed by the CCAA and such covenants as may be contained in the Definitive Documents, the Debtors shall have the right to:

- (a) permanently or temporarily cease, downsize or shut down all or any part of the Business or operations and, outside of the ordinary course of business, dispose of assets not exceeding \$10,000 in any one transaction or \$100,000 in the aggregate provided that any sale that is either: (i) in excess of the above thresholds; or (ii) to a person that is related to the Debtors (within the meaning of the CCAA) will require prior authorization from this Court;
- (b) assign any rights and obligations of the Debtors under an agreement, provided the applicable Debtor has first obtained the consent of the counterparty to such agreement should their consent be required;
- (c) terminate the employment of such of their employees or temporarily lay off such of their employees as they deem appropriate on such terms as may be agreed between the Debtors and any such employee(s), or failing such agreement, to make provision for the consequences of such termination in the Plan; and
- (d) enter into agreements with its customers and suppliers to resolve the amounts of any claims that are in dispute;

all of the foregoing to permit the Debtors to proceed with an orderly restructuring (the “**Restructuring**”).

15. The Debtors shall provide each of the relevant landlords with notice of the Debtors' intention to remove any fixtures from any leased premises at least seven days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Debtors' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditor(s) who claim a security interest in the fixtures, such landlord and the Debtors, or by further Order of this Court upon application by the Debtors, the landlord or the applicable secured creditor(s) on at least 2 clear days' notice to the other parties. If the Debtors disclaim the lease governing such leased premises in accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any dispute concerning such fixtures (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Debtors' claim to the fixtures in dispute.

16. If a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then: (a) during the period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours on giving the Debtors and the Monitor 24 hours' prior written notice; and (b) at the effective time of the disclaimer, the landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims the landlord may have against the Debtors, or any other rights the landlord might have, in respect of such lease or leased premises and the landlord shall be entitled to notify the Debtors of the basis on which it is taking possession and gain possession of and release such leased premises to any third party or parties on such terms as the landlord considers advisable, provided that nothing herein shall relieve the landlord of its obligation to mitigate any damages claimed in connection therewith.

17. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronics Documents Act*, S.C. 2000, c. 5. Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, Section 20(e) of the *Personal Information Protection Act*, S.A. 2003, c. P-6.5, and Section 18(6) of the *Act respecting the protection of personal information in the private*

sector, S.Q. 1993, c. 17, and any regulations promulgated under authority of any of those Acts, as applicable (each, a “**Privacy Act**”), the Debtors, in the course of these proceedings, are permitted to, and hereby shall, disclose personal information of identifiable individuals in their possession or control to the Petitioners, but only to the extent desirable or required to negotiate and complete the Restructuring or to prepare and implement the Plan or transactions for that purpose; and the Petitioners are hereby directed to keep such personal information confidential in the same manner and to the same extent with respect to the collection, use and disclosure of that information as if they were an organization as defined under the relevant Privacy Act, and limiting the use of such information to the extent desirable or required to negotiate or complete the Restructuring or to prepare and implement the Plan or transactions for that purpose. Upon the completion of the use of personal information for the limited purposes set out herein, the Petitioners shall return the personal information to the Debtors or destroy it. If the Petitioners acquire the personal information as part of the Restructuring or the preparation and implementation of the Plan or transactions in furtherance thereof, the Petitioners may, subject to this paragraph and any relevant Privacy Act, continue to use the personal information in a manner which is in all respects identical to the prior use thereof by the Debtors.

STAY OF PROCEEDINGS, RIGHTS AND REMEDIES

18. Until and including July 22, 2019, or such later date as this Court may subsequently order (the “**Stay Period**”), no action, suit or proceeding in any court or tribunal (each, a “**Proceeding**”) against or in respect of any of the Debtors, the affiliates of the Debtors enumerated in **Schedule “A”** hereto (collectively, the “**JV Affiliates**”), or the Monitor, or affecting the Business or the Property, shall be commenced or continued except with the written consent of the Debtors and the Monitor or with leave of this Court, and any and all Proceedings currently under way against or in respect of any of the Debtors or JV Affiliates or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

19. During the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being “**Persons**” and each being a “**Person**”) against or in respect of any of the Debtors, the JV

Affiliates or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Debtors and the Monitor or leave of this Court.

20. Nothing in this Order, including paragraphs 18 and 19, shall: (i) empower the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on; (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA; (iii) prevent the filing of any registration to preserve or perfect a mortgage, charge or security interest (subject to the provisions of Section 39 of the CCAA relating to the priority of statutory Crown securities); or (iv) prevent the registration or filing of a lien or claim for lien or the commencement of a Proceeding to protect lien or other rights that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such lien, claim for lien or Proceeding except for service of the initiating documentation on the relevant Debtors.

NO INTERFERENCE WITH RIGHTS

21. During the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtors or the JV Affiliates, except with the written consent of the Debtors and the Monitor or leave of this Court.

CONTINUATION OF SERVICES

22. During the Stay Period, all Persons having oral or written agreements with the Debtors or the JV Affiliates or mandates under an enactment for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation, services, utility or other services to the Business or the Debtors, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with, or terminating the supply of such goods or services as may be required by the Debtors, and that the Debtors shall be entitled to the continued use of their current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services

received after the Order Date are paid by the Debtors in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Debtors and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

23. Notwithstanding any provision in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of leased or licensed property or other valuable consideration provided on or after the Order Date, nor shall any Person be under any obligation to advance or re-advance any monies or otherwise extend any credit to the Debtors on or after the Order Date. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

24. During the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against the directors or officers of the Debtors with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Debtors whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Debtors, if one is filed, is sanctioned by this Court or is refused by the creditors of the Debtors or this Court. Nothing in this Order, including in this paragraph, shall prevent the commencement of a Proceeding to preserve any claim against a director or officer of the Debtors that might otherwise be barred or extinguished by the effluxion of time, provided that no further step shall be taken in respect of such Proceeding except for service of the initiating documentation on the applicable director or officer.

DIRECTORS AND OFFICERS INDEMNIFICATION AND CHARGE

25. The Debtors shall indemnify their directors and officers against obligations and liabilities that they may incur as directors or officers of the Debtors after the commencement of the within

proceedings, except to the extent that, with respect to any director or officer, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

26. The directors and officers of the Petitioners shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for the indemnity provided in paragraph 25 of this Order. The Directors' Charge shall have the priority set out in paragraphs 57 and 59 herein.

27. Notwithstanding any language in any applicable insurance policy to the contrary: (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge; and (b) the Petitioners' directors and officers shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 25 of this Order.

APPOINTMENT OF MONITOR

28. Alvarez & Marsal Canada Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Debtors with the powers and obligations set out in the CCAA or set forth herein, and that the Debtors and their shareholders, officers, directors, and Assistants shall advise the Monitor of all material steps taken by the Debtors pursuant to this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

29. The Monitor, in addition to its prescribed rights and obligations under the CCAA, is hereby directed and empowered to:

- (a) monitor the Debtors' receipts and disbursements;

- (b) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (c) assist the Debtors in their dissemination to the Interim Lender and its counsel of financial and other information as agreed to between the Debtors and the Interim Lender which may be used in these proceedings including reporting on a basis to be agreed with the Interim Lender;
- (d) advise the Debtors in their preparation of the Debtors' cash flow statements and reporting required by the Interim Lender, which information shall be reviewed with the Monitor and delivered to the Interim Lender and its counsel on a periodic basis as agreed between the Debtors and the Interim Lender;
- (e) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Debtors, to the extent that is necessary to adequately assess the Debtors' business and financial affairs or to perform its duties arising under this Order;
- (f) be at liberty to engage independent legal counsel or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order; and
- (g) perform such other duties as are required by this Order or by this Court from time to time.

30. In addition to the foregoing powers, the Monitor is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and Business and, without in any way limiting the generality of the foregoing, is hereby expressly empowered and authorized to do any of the following where the Monitor, in its sole discretion, considers it necessary or desirable:

- (a) take any and all steps in order to direct or cause the Debtors to exercise rights under paragraphs 7 through 10, 14 and 15 hereof, including without limitation to direct or cause the Debtors to disclaim or resiliated any agreements to which the Debtors are a party in accordance with section 32 of the CCAA;
- (b) in consultation with the Debtors, take any and all reasonable steps in order to direct or cause the Debtors to administer the Property and operations of the Debtors or to perform such other functions or duties as the Monitor considers necessary or desirable to deal with the Property or Business, including restructuring, wind-down, liquidation, disposal of assets, or other activities;
- (c) monitor, review, and direct the Debtors' receipts and disbursements and implement such measures of control as the Monitor deems reasonably necessary to ensure the appropriate monitoring of the Debtors' expenses and disbursements, including adding or removing signing authorities to or from the Debtors' bank accounts;
- (d) initiate and administer any claims bar and/or claims resolution process, or protocol as may be approved by further order of this Court in these proceedings;
- (e) subject to the requirement for Court approval set forth in section 36 of the CCAA, direct or cause the Debtors to complete one or more transactions for the sale of all or any part of the Business, Property or any part thereof, and conduct, supervise and recommend to the Court any procedure regarding the allocation and/or distribution of proceeds of any sales;
- (f) in consultation with the Debtors, negotiate and develop a restructuring transaction, including the Plan, for and on behalf of any one or more of the Debtors, and to seek approval of this Court in respect of any such restructuring transaction, including disseminating the Plan to creditors of the Debtors and convening a meeting of the Debtors' creditors to consider and vote on the Plan;

- (g) subject to the approval of this Court and, if applicable, the creditors of the Debtors, enter into any agreements on behalf of the Debtors and implement any sale or restructuring transaction, including the Plan;
- (h) engage or cause the Debtors to engage consultants, assistants, advisors, appraisers, agents, experts, auditors, accountants, managers and such other persons from time to time and on whatever basis, including on a temporary basis, as the Monitor deems necessary or desirable to carry out the Monitor's powers and duties, including, without limitation, those conferred hereunder and all such persons shall be deemed to be "Assistants" under this Order;
- (i) apply to this Court for any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court including for advice and directions with respect to any matter; and
- (j) meet and consult with the directors and management of the Debtors, if any, with respect to any of the foregoing including, without limitation, operational, transactional and restructuring matters,

and in each case where the Monitor takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including the Debtors and their past or present directors and officers, and without interference from any other Person, provided, however, that the Monitor shall comply with all applicable laws and shall not have any authority or power to elect or to cause the election or removal of directors of the Debtors or to take any action to restrict or to transfer to the Monitor any of their powers, duties or obligations, except in accordance with section 11.5(1) of the CCAA. The directors and officers of the Debtors shall not be liable for any actions taken by any of them in accordance with a direction of the Monitor.

31. The Debtors' directors and officers, including Mr. Tao Xu, shall have no further communications with any of the Debtors' creditors or other stakeholders, including employees and landlords, except as approved by the Monitor.

32. Notwithstanding anything to the contrary herein, without the consent of the Debtors or a further order of this Court:

- (a) the Monitor shall not cause the Debtors to disclaim or resiliate any real property lease in respect of the premises identified in Schedule "A" to the Management Services Agreement (as defined herein) as being designated for continuing operations; and
- (b) if the Monitor causes any of the Debtors to disclaim or resiliate a real property lease which is guaranteed by an individual (a "**Guarantor**"), the Monitor shall provide notice of same to the Guarantor, who shall have the right to make application to this Court on notice to the Monitor, the Debtors and the applicable landlord within 15 days of receipt of such notice for an order that the applicable real property lease not be disclaimed or resiliated.

33. Subject to the right of employees to terminate their employment, all employees of the Debtors shall remain the employees of the Debtors until such time as the Debtors, under the direction of the Monitor, may terminate the employment of such employees. The Monitor shall not be liable for any employee-related liabilities of the Debtors, including any successor employer liabilities as provided for in Section 14.06(1.2) of the *Bankruptcy and Insolvency Act* of Canada (the "**BIA**"), other than amounts the Monitor may specifically agree in writing to pay. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities of the Debtors, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts.

34. The enhancement of the Monitor's powers as set forth herein, the exercise by the Monitor of any of its powers, the performance by the Monitor of any of its duties, or the use or employment by the Debtors of any person under the direction of the Monitor in connection with the Monitor's appointment and the exercise and performance of its powers and duties shall not constitute the Monitor, the employer, successor employer or related employer of the employees of the Debtors within the meaning of the *Employment Standards Act* of British Columbia, the *Pension Benefits Standards Act* of British Columbia, the *Employment Standards Code* of

Alberta, the *Employment Pension Plans Act* of Alberta, the *Employment Standards Act* of Ontario, the *Pension Benefits Act* of Ontario, the *Act respecting labour standards* of Quebec, the *Supplemental Pension Plans Act* of Quebec, the *Canada Labour Code*, the *Pension Benefits Standards Act* of Canada or any other provincial, federal, municipal legislation or common law governing employment or labour standards or any other statute, regulation or rule of law or equity for any purpose whatsoever or expose the Monitor to liability to any individuals arising from or relating to their employment by the Debtors. In particular, the Monitor shall not be liable to any of the employees for any wages, including severance pay, termination pay and vacation pay except for such wages as the Monitor may specifically agree to pay.

35. Without limiting the provisions of this Order, the Debtors shall remain in possession and control of the Property and the Business and the Monitor shall not take, and shall not, by fulfilling its obligations hereunder, or by inadvertence in relation to the due exercise of powers or performance of duties under this Order, be deemed to have taken or maintained possession or control of the Business or Property, or any part thereof, and nothing in this Order shall be construed as resulting in the Monitor being an employer or a successor employer, within the meaning of any statute, regulation or rule of law or equity, for any purpose whatsoever.

36. Nothing herein contained shall require or allow the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *British Columbia Environmental Management Act*, the *Alberta Environmental Protection and Enhancement Act*, the *Ontario Environmental Protection Act*, the *Quebec Environment Quality Act*, and any regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation. For greater certainty, the Monitor shall not, as a result of this Order or anything done in pursuance of the Monitor's duties and powers under this Order, be

deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

37. The Monitor shall provide any creditor of the Debtors and the Interim Lender with information provided by the Debtors in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Debtors is confidential, the Monitor shall not provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Debtors may agree.

38. In addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the rights and protections afforded the Monitor by the CCAA or any applicable legislation.

39. Notwithstanding anything to the contrary contained in this or any other order of this Court made in these proceedings, the Monitor shall not incur any liability or obligation as a result of the enhancement of the Monitor's powers and duties hereunder, the exercise by the Monitor of any of its powers, or the performance by the Monitor of any of its duties, save and except as may result from the gross negligence or wilful misconduct of the Monitor. Any liability of the Monitor in respect of the performance of its duties hereunder shall not in any event exceed the aggregate of the quantum of fees and disbursements paid to or incurred by the Monitor in connection with the performance of its duties hereunder.

40. The Monitor is not, and shall not be or be deemed to be, a director, officer or employee of any of the Debtors.

MANAGEMENT SERVICES AGREEMENT

41. The Monitor is hereby authorized and directed to enter into, on behalf of the Debtors, the management services agreement (the “**Management Services Agreement**”) among Miniso Lifestyle Canada Inc. (the “**Manager**”) and the Debtors, a copy of which is attached as Exhibit “V” to the First Chen Affidavit. The Monitor is authorized to agree to such amendments to the Management Services Agreement as it deems appropriate, provided the Monitor is satisfied such amendments are not prejudicial to any stakeholder.

42. The Manager shall incur no liability to any Person in relation to the performance of its duties under the Management Services Agreement, including without limitation for any obligations of the Debtors for any amounts payable to suppliers or goods or services after the Order Date, except: (i) in the event the Manager agrees in writing to be liable to any Person for any such obligation; or (ii) for any liability arising as a result of the Manager’s gross negligence or wilful misconduct.

43. The Management Services Agreement shall not be repudiated, resiliated or disclaimed by the Debtors nor shall the claims of the Manager pursuant to the Management Services Agreement be compromised or arranged pursuant to the Plan. The Manager shall be treated as an unaffected creditor in these proceedings and under any Plan.

44. The Monitor is hereby authorized to remit, in accordance with the Management Services Agreement, all amounts that become due to the Manager thereunder.

45. No Encumbrances shall attach to any amounts payable or to be credited or reimbursed to, or retained by, the Manager pursuant to the Management Services Agreement and, at all times, the Manager will retain such amounts, free and clear of all Encumbrances (as hereinafter defined), notwithstanding any enforcement or other process or claims, all in accordance with the Management Services Agreement.

46. Notwithstanding (a) the pendency of these proceedings; (b) any application for a bankruptcy order now or hereafter issued pursuant to the BIA in respect of the Debtors or any

bankruptcy order made pursuant to any such applications; (c) any assignment in bankruptcy made in respect of the Debtors; (d) the provisions of any federal or provincial statute; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other document or agreement which binds the Debtors, the Management Services Agreement and the transactions and actions provided for and contemplated therein, including without limitation, the payment of amounts due to the Manager, shall be binding on any trustee in bankruptcy that may be appointed in respect to the Debtors and shall not be void or voidable by any Person, including any creditor of the Debtors, nor shall they, or any of them, constitute or be deemed to be a preference, fraudulent conveyance, transfer at undervalue or other challengeable reviewable transaction, under the BIA or any applicable law, nor shall they constitute oppressive or unfairly prejudicial conduct under any applicable law.

ADMINISTRATION CHARGE

47. The Monitor, counsel to the Monitor and counsel to the Debtors shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Debtors as part of the cost of these proceedings. The Debtors are hereby authorized and directed to pay the accounts of the Monitor, counsel to the Monitor and counsel to the Debtors on a periodic basis and, in addition, the Debtors are hereby authorized to pay to the Monitor, counsel to the Monitor and counsel to the Debtors retainers in the amounts of \$100,000, \$50,000 and \$50,000, respectively, to be held by them as security for payment of their respective fees and disbursements outstanding from time to time.

48. The Monitor and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the British Columbia Supreme Court who may determine the manner in which such accounts are to be passed, including by hearing the matter on a summary basis or referring the matter to a Registrar of this Court.

49. The Monitor, counsel to the Monitor and counsel to the Debtors shall be entitled to the benefit of and are hereby granted a charge (the “**Administration Charge**”) on the Property, which charge shall not exceed an aggregate amount of \$1,000,000, as security for their respective fees and disbursements incurred at the standard rates and charges of the Monitor and its counsel and of counsel to the Debtors, both before and after the making of this Order, which are related to the Debtors’ restructuring and the fulfillment of the Monitor’s duties hereunder and under the CCAA. The Administration Charge shall have the priority set out in paragraphs 57 and 59 hereof.

INTERIM FINANCING

50. The Debtors are hereby authorized and empowered to obtain and borrow under a credit facility (the “**Interim Credit Facility**”) from MIHK Management Inc. (the “**Interim Lender**”) in order to finance the continuation of the Business and preservation of the Property, provided that: (a) borrowings under such credit facility shall not exceed \$2 million unless permitted by further Order of this Court; and (b) until the Comeback Hearing, borrowings are limited to the minimum amount required to cover all expenses reasonably incurred by the Debtors in carrying on the Business in the ordinary course.

51. The Interim Credit Facility shall be on the terms and subject to the conditions set forth in the Interim Lending Facility Agreement between the Debtors and the Interim Lender dated as of July 12, 2019 (the “**Interim Credit Facility Agreement**”), a copy of which is attached as Exhibit “W” to the First Chen Affidavit.

52. The Debtors are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the “**Definitive Documents**”), as are contemplated by the Interim Credit Facility Agreement or as may be reasonably required by the Interim Lender pursuant to the terms thereof, and the Debtors are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the Interim Lender under and pursuant to the Interim Credit Facility Agreement and the Definitive Documents as

and when the same become due and are to be performed, notwithstanding any other provision of this Order.

53. The Monitor is hereby authorized and directed to negotiate and execute the Interim Credit Facility Agreement and the Definitive Documents on behalf of the Debtors.

54. The Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the “**Interim Lender’s Charge**”) on the Property. The Interim Lender’s Charge shall not secure an obligation that exists before this Order is made. The Interim Lender’s Charge shall have the priority set out in paragraphs 57 and 59 hereof.

55. Notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender’s Charge or any of the Definitive Documents;
- (b) upon the occurrence of an event of default under any of the Definitive Documents or the Interim Lender’s Charge, the Interim Lender, upon 2 days’ notice to the Debtors and the Monitor, may exercise any and all of its rights and remedies against the Debtors or the Property under or pursuant to the Interim Credit Facility Agreement, Definitive Documents and the Interim Lender’s Charge, including without limitation, to cease making advances to the Debtors and set off or consolidate any amounts owing by the Interim Lender to the Debtors against the obligations of the Debtors to the Interim Lender under the Interim Credit Facility Agreement, the Definitive Documents or the Interim Lender’s Charge, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Debtors and for the appointment of a trustee in bankruptcy of the Debtors; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Debtors or the Property.

56. The Interim Lender, in such capacity, shall be treated as unaffected in any plan of arrangement or compromise filed by the Debtors under the CCAA, or any proposal filed by the Debtors under the BIA, with respect to any advances made under the Interim Credit Facility Agreement or the Definitive Documents.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

57. The priorities of the Administration Charge, the Directors' Charge and the Interim Lender's Charge, as among them, shall be as follows:

First – Administration Charge (to the maximum amount of \$1,000,000);

Second – Interim Lender's Charge; and

Third - Directors' Charge (to the maximum amount of \$1,000,000).

58. Any security documentation evidencing, or the filing, registration or perfection of, the Administration Charge, the Interim Lender's Charge and the Directors' Charge (collectively, the "**Charges**") shall not be required, and the Charges shall be effective as against the Property and shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered or perfected subsequent to the Charges coming into existence, notwithstanding any failure to file, register or perfect any such Charges.

59. Each of the Charges shall constitute a mortgage, security interest, assignment by way of security and charge on the Property and such Charges shall rank in priority to all other security interests, trusts, liens, mortgages, charges and encumbrances and claims of secured creditors, statutory or otherwise (collectively, "**Encumbrances**"), in favour of any Person, save and except those claims contemplated by section 11.8(8) of the CCAA.

60. Except as otherwise expressly provided herein, or as may be approved by this Court, the Debtors shall not grant or suffer to exist any Encumbrances over any Property that rank in priority to, or *pari passu* with the Charges, unless the Debtors obtain the prior written consent of the Monitor, the Interim Lender and the beneficiaries of the Administration Charge and the Director's Charge.

61. The Administration Charge, the Director's Charge, the Interim Credit Facility Agreement, the Definitive Documents and the Interim Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the "**Chargees**") shall not otherwise be limited or impaired in any way by: (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, mortgage, security agreement, debenture, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds the Debtors; and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, perfection, registration or performance of the Interim Credit Facility Agreement or the Definitive Documents shall create or be deemed to constitute a breach by the Debtors of any Agreement to which they are a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Debtors entering into the Interim Credit Facility Agreement, the creation of the Charges, or the execution, delivery or performance of the Definitive Documents; and
- (c) the payments made by the Debtors pursuant to this Order, the Interim Credit Facility Agreement or the Definitive Documents, and the granting of the Charges,

do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

62. Any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Debtors' interest in such real property leases.

SERVICE AND NOTICE

63. The Monitor shall: (i) without delay, publish in The National Post a notice containing the information prescribed under the CCAA; (ii) within five days after Order Date: (A) make this Order publicly available in the manner prescribed under the CCAA; (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Debtors of more than \$1000; and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

64. The Debtors and the Monitor are at liberty to serve this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or notice by courier, personal delivery or electronic transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

65. Any Person that wishes to be served with any application and other materials in these proceedings must deliver to the Monitor by way of ordinary mail, courier, personal delivery or electronic transmission a request to be added to a service list (the "**Service List**") to be maintained by the Monitor. The Monitor shall post and maintain an up to date form of the Service List on its website at: www.alvarezandmarsal.com/minisocanada (the "**Monitor's Website**").

66. Any party to these proceedings may serve any court materials in these proceedings by emailing a PDF or other electronic copy of such materials to counsels' email addresses as recorded on the Service List from time to time, and the Monitor shall post a copy of all prescribed materials on the Monitor's Website.

GENERAL

67. The Petitioners, the Debtors or the Monitor may from time to time apply to this Court for directions in the discharge of their powers and duties hereunder.

68. Nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Debtors, the Business or the Property.

69. THIS COURT REQUESTS the aid and recognition of other Canadian and foreign Courts, tribunal, regulatory or administrative bodies to act in aid of and to be complementary to this Court in carrying out the terms of this Order where required. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Debtors 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 Debtors and the Monitor and their respective agents in carrying out the terms of this Order.

70. The Monitor is 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 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.

71. The Debtors may (subject to the provisions of the CCAA and the BIA), with the express written consent of the Monitor, at any time file a voluntary assignment in bankruptcy or a proposal pursuant to the commercial reorganization provisions of the BIA if and when the Debtors determine that such a filing is appropriate.

72. The Debtors are hereby at liberty to apply for such further interim or interlocutory relief as it deems advisable within the time limited for Persons to file and serve Responses to the Petition.

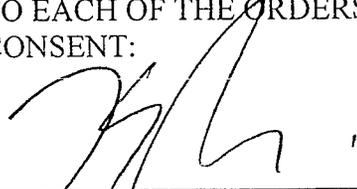
73. Leave is hereby granted to hear any application in these proceedings on 2 clear days' notice after delivery to all parties on the Service List of such Notice of Application and all affidavits in support, subject to the Court in its discretion further abridging or extending the time for service.

74. Any interested party, including the Petitioners, the Debtors and the Monitor, may apply to this Court to vary or amend this Order on not less than 7 days' notice to all parties on the Service List and to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

75. Endorsement of this Order by counsel appearing on this application, other than counsel for the Petitioners, is hereby dispensed with.

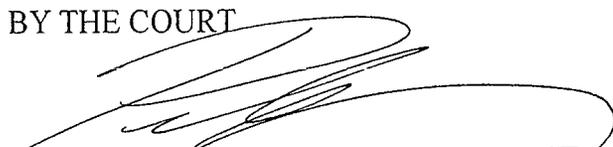
76. This Order and all of its provisions are effective as of 12:01 a.m. local Vancouver time on the Order Date.

THE FOLLOWING PARTIES APPROVE THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:



Signature of Lawyer for the Petitioners
Kibben Jackson



BY THE COURT


REGISTRAR



SCHEDULE "A"**JV STORE AFFILIATES****General Partners**

Name of Company	Jurisdiction
Miniso (Canada) SFU Store Inc.	BC
Miniso (Canada) Conestoga Store Inc.	BC
Miniso (Canada) Promenade Store Inc.	BC
Miniso (Canada) New West Store Inc.	BC

Partnerships

Name of Partnership	Jurisdiction
Miniso SFU Store LLP	BC
Miniso (Canada) Store One Inc.	BC
Miniso Conestoga Store	BC
Miniso (Canada) Store Five Inc.	BC
Miniso (Canada) Cedarbrae Store LP	BC
Miniso (Canada) Store Nine Inc.	BC
Miniso (Canada) Maple Grove Store LP	BC
Miniso (Canada) Meadowvale Store LP	BC
Miniso (Canada) Morningside Store LP	BC
Miniso (Canada) Hillcrest Store LP	BC
Miniso (Canada) Store Ten Inc.	BC
Miniso (Canada) Fairview Park Store LP	BC
Miniso (Canada) Markville Store LP	BC
Miniso (Canada) Store Eleven Inc.	BC
Miniso (Canada) Store Eleven Inc.	BC
Miniso (Canada) Store Twelve Inc.	BC
Miniso (Canada) Promenade Store Inc.	BC
Miniso (Canada) Yonge & Sheppard Store LP	BC
Miniso (Canada) Beacon Hill Store LP	BC

Name of Partnership	Jurisdiction
Miniso (Canada) South Common Store LP	BC
Miniso (Canada) New West Store	BC
Miniso (Canada) West 41 Store LP	BC
Miniso (Canada) 1631 Saint Catherine Store LP	BC
Miniso (Canada) Store Sixteen Inc.	BC
Miniso Ottawa Bayshore LP	BC

Affiliates

Name of Company	Jurisdiction
Miniso (Canada) Centrepoint Store Inc.	BC
Miniso (Canada) Oshawa Store Inc.	BC
Miniso (Canada) Mail Champlain Store Inc.	BC
Miniso (Canada) Centre Laval Store Inc.	BC
Miniso (Canada) Erin Mills Store Inc.	BC
Miniso (Canada) Hillcrest Store Inc.	BC
Miniso (Canada) Upper Canada Store Inc.	BC
Miniso (Canada) Carrefour Laval Inc.	BC
Miniso (Canada) Markville Store Inc.	BC
Miniso (Canada) Galeries D'Anjou Store Inc.	BC
Miniso (Canada) Promenade Store Inc.	BC
Miniso (Canada) Oakville Store Inc.	BC
Miniso (Canada) New West Store Inc.	BC
Miniso (Canada) West 41 Store Inc.	BC
Miniso (Canada) 475 Saint Catherine Store Inc.	BC