Dairy Farm - CCAA

Ocean View Farms Ltd

Process Information

December 2025

Private & Confidential

Current Situation and Disclaimers

CCAA proceedings

By order (Initial Order) of the Supreme Court of Newfoundland and Labrador in Bankruptcy and Insolvency (Court) dated September 11, 2025, Ocean View Farms Ltd (Ocean or the Company) was granted creditor protection under the Companies Creditors Arrangement Act, R.S.C. 985, c. C-36 (CCAA). The initial order, among other things, appointed S.R. Stack & (2023) Company Ltd. as monitor (in such capacity, the Monitor) in the CCAA proceedings (CCAA Proceedings). The Court further granted an order authorizing the Monitor to carry out a sales and investment solicitation process (SISP) for Ocean's dairy farming operations and properties (the Business), and to take such steps and execute such documentation as may be necessary or incidental to implement the SISP.

Purpose

The purpose (the Purpose) of this Process Information Document (PID) is to provide information regarding the Business and to assist prospective bidders in submitting a formal offer to refinance, to acquire or invest in the Business, pursuant to the terms of the SISP.

This PID, the data room and the contents herein do not, and are not intended to, constitute an offer for sale, prospectus, invitation to subscribe for or purchase or otherwise acquire, shares or other securities in the Company. For the avoidance of doubt, there is no intention to create a legal relationship, and such relationship will not exist unless and until a formal contract has been entered into in relation to the acquisition of, or investment in, the Company or its assets. Any transaction will be on an "as is, where is" basis and require Court approval, sold free and clear of claims & encumbrances.

Financial data

Historical and proforma financial information, asset summaries and other information is available for review in the data room. The Monitor understands that proforma estimates were prepared by the Company, using various assumptions to project operations and assist interested parties in their diligence. The Company has further presented forward looking data for the Business on an as is basis, which is illustrative in nature and intended to provide prospective bidders with a view as to what may be achieved from the Business. As any forward-looking data is illustrative in nature, the Monitor makes no representation or warranty thereon- see Verification of Information.

Appraisals

As part of the Monitor's mandate, third-party appraisals were obtained for the Company's equipment and real property effective December 2025. While the appraisals are not currently available for review by Bidders, the Monitor will include redacted versions in the data room to provide context to the Business and its assets.

Current Situation and Disclaimers (cont'd)

Verification of information

The information contained in the data room has been obtained from the Company and has not been checked or verified by the Monitor or any other party. The information contained in this PID and data room is being supplied as a guide only and Bidders must make their own investigations and must satisfy themselves as to the condition of the Business and the accuracy and completeness of the statements contained in this Memorandum. No responsibility or liability is accepted by the Monitor, its directors, officers, employees or agents in relation to the adequacy, accuracy, completeness or reasonableness of the facts, opinions, estimates, forecasts, projections or other information set out in the data room or any further information, written, oral or otherwise, supplied in connection with it. Neither the Monitor nor any director, officer, employee or agent of Monitor has any authority to make or give any representations or warranty whatsoever, and no responsibility or liability is accepted by any of them, in relation to the business or prospects of the Company or with respect to the adequacy, accuracy, completeness or reasonableness of the facts, opinions, estimates, forecasts, projections or other information set out in the data room or any further information, written or oral or otherwise, supplied in connection with it.

Nothing contained within the data room is or should be relied upon as a promise or representation as to the future. The financial information contained in the data room was prepared expressly for SISP use and is based on certain assumptions and the Company's analysis of information available at the time this PID was prepared. These assumptions may not materialize and actual financial results of the Company may vary from the financial information contained in the data room (and such variation may be significant).

The information contained in this the data room and any further information relating to the Company will be supplied on the condition that the Monitor or any directors, officers, employees or agents of the Monitor, accept no responsibility and/or liability for any loss or damage of whatsoever nature that may result or occur by reliance on such information, however arising.

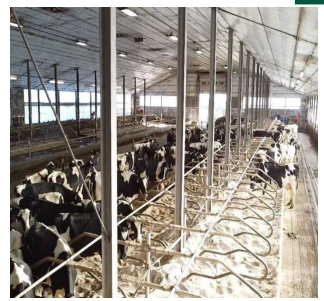
Bidding procedures

The SISP requires Potential Bidders to submit bids in the form of an executable agreement, a template of which the Monitor will upload to the data room and provide to all Potential Bidders. Qualified Bids require a deposit of 10% of the Bid Price, delivered to the Monitor at/prior to Bid Deadline. The processes and procedures set out in the SISP (the Bidding Procedures) describe how prospective bidders may gain access to due diligence materials concerning the Company, the manner in which bidders may participate in the SISP, the requirement of and the receipt and negotiation of Bids received, the ultimate selection of a Successful Bid and the requisite approvals to be sought from the Court in connection therewith. Details of the SISP and templates of an executable agreement are uploaded to the data room and outline the conditions of sale for any transaction pursuant to the SISP. The form of transaction is expected to be via reverse vesting order ("RVO"), will be made available to interested parties

Transaction Considerations

Structure

Transaction structures for sales or investments in CCAA proceedings typically result in court approved asset purchase agreements, where the Company's assets are sold free and clear into a new company, or plans of arrangement, where a vote is held by creditors on a pro-rata compromise of debt. The Monitor expects a transaction (whether investment or sale) for the regulated nature of Company's asset base is likely accomplished through a reverse vesting order transaction, discussed below.



Reverse Vesting Order (RVO)

Court ordered transaction structure that allow the shares of an insolvent company to be sold free and clear of claims and encumbrances to a purchaser by transferring out unwanted assets, contracts and liabilities to a new corporation (NewCo).

Intention is still to provide a purchaser with clear title to assets by granting clear title to the shares- however the RVO also provides access to a cleansed entity, mitigates risks transferring licenses, intangibles and contracts, and obtains value for attributes that may not be transferrable otherwise.
Effectively, the RVO functions to sell the shares of an insolvent company via Court approval through a reorganization, while moving any liability, contract or property not wanted by a purchaser or investor into NewCo. The insolvent debtor company exits the insolvency proceedings as a restructured business with a new share structure, while NewCo remains to deal with any distribution or ancillary insolvency matters.

While Court approval of an RVO is not guaranteed, the transaction structure allows for an expedited closing and generally a simpler process to obtain approvals from external parties where required, and further mitigates risks to buyers and sellers by expediting the path to closing and removing the operating business from the insolvency proceeding

Holdings in Regulated Industry

The Monitor understands the sale of fluid milk quota in NL's dairy industry requires DFNL approval. The RVO structure allows the quota to remain with Ocean under new ownership, where the shares are sold free and clear of Company's current debts, reducing regulatory risks for purchasers and removing pre-filing liabilities from the business. The Monitor has informed DFNL of the process and will keep them abreast of timelines and progress.

The Company holds various holdings in the Newfoundland and Labrador Dairy Co-operative (Co-op) that will require certain approvals for purposes of transfer of ownership. These holdings are not core to the operations of the farm. The Monitor has informed the Co-op of the process and will keep them abreast of timelines and progress.

Bids - binding offer

Bids

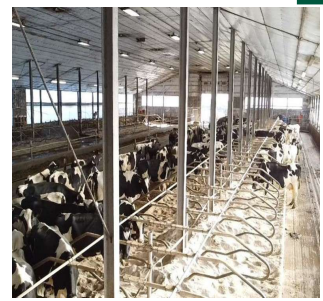
Bids must be submitted by e-mail with a subject line - Ocean View Farms Limited. – Binding Bid - prior to the Bid Deadline to sean@srstack.ca. Submitted Bids will include a Tender Form and an executable agreement, a template of which is available on the Monitors website. Details of what is required to be a Qualified Bid is outlined at paragraphs 23-28 of the SISP and must be, at minimum:

- Binding and duly executed;
- Received by the Bid Deadline;
- Accompanied by a cover letter outlining the terms of the offer and other prescribed information;
- A deposit in the amount of 10% of the cash purchases price or total new investment at the Bid Deadline.

Interested parties are encouraged to review the SISP in detail and contact the Monitor with any questions.

Site Visits

Qualified Bidders are encouraged to contact the Monitor directly to arrange for a site visits to explore the opportunity, recognizing the farm continues to operate
during one of its busiest periods.

Access additional information

Interested parties are encouraged to review the information in the virtual data room and inquire directly with the Monitor should additional data, pictures, or clarification be helpful.