

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 et al

PETITIONERS

AND:

MIGU INVESTMENTS INC. et al

RESPONDENTS

APPLICATION RESPONSE

Application response of: The Petitioners

THIS IS A RESPONSE TO the Notice of Application of certain parties enumerated in Schedule "A" (collectively, the "**Investors**") to the Notice of Application filed herein on November 5, 2019 (the "**Notice of Application**").

Part 1: ORDERS CONSENTED TO

The Petitioners consent to the granting of the orders set out in paragraphs NONE of Part 1 of the Notice of Application.

Part 2: ORDERS OPPOSED

The Petitioners oppose the granting of the orders set out in paragraph 2 of Part 1 of the Notice of Application.

Part. 3: ORDERS ON WHICH NO POSITION IS TAKEN

The Petitioners take no position on the granting of the orders set out in paragraph 1 of Part 1 of the Notice of Application.

Overview

1. The Petitioners take no position on the Investors' application for an order lifting the Stay (as defined below) with respect to the directors and officers of the Respondents (the "**Directors and Officers**"). However, the Petitioners oppose the Investors' application to lift the Stay in respect of the Respondents Migu Investments Inc., Miniso Canada Investments Inc., and Miniso Canada Store Inc. (collectively, the "**Migu Entities**"), but submit that part of the application should be adjourned generally.

Part 4: FACTUAL BASIS

2. By Order granted July 12, 2019 (the "**Initial Order**"), among other things, this Court ordered a stay of all proceeding against the Migu Entities (the "**Stay**"). By Orders granted July 22, 2019 and September 16, 2019, the Initial Order was amended and the Stay was extended to November 18, 2019.
3. On October 31, 2019, Alvarez & Marsal Canada Inc., in its capacity as the Monitor of the Respondents (the "**Monitor**"), filed a Notice of Application in these proceeding seeking, among other things, to extend the Stay to January 31, 2019.
4. On November 4, 2019, the Monitor filed the Sixth Report of the Monitor dated November 1, 2019 (the "**Sixth Report**"). The Sixth Report states that the Monitor is of the view that the Stay should be extended to January 31, 2019, having considered, among others the following factors:
 - (a) the time required by the Monitor to develop an exit and/or wind-up plan for the Respondents (as defined in the Sixth Report as a group of companies including the Migu Entities);

- (b) the absence of material prejudice to creditors of Miniso Canada (as defined in the Sixth Report as a group of companies including the Migu Entities); and
- (c) whether Miniso Canada's prospects of effecting a viable restructuring would be enhanced by an extension of the Stay.

Sixth Report of the Monitor, at Section 15.0

Part 5: LEGAL BASIS

1. Section 11.02 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA") provides that on an application in respect of a debtor company other than an initial application, the Court may make an order staying, until otherwise ordered, all proceedings taken or that might be taken in respect of a company if satisfied that:
 - (a) circumstances exist that make the order appropriate; and
 - (b) the applicant has acted, and is acting, in good faith and with due diligence.

CCAA, section 11.02(2) and (3)

2. The Stay should be preserved and extended in respect of the Migu Entities, for among other reasons, because:
 - (a) in order to facilitate the implementation of the Plan of Compromise, Arrangement and Reorganization dated October 15, 2019 (the "**Plan**") and the payment of all post-filing obligations, it is necessary that the Stay continue for the duration of these proceedings;
 - (b) the Migu Entities still have assets, including equity interests in subsidiaries and choses in action. Although there is no present intention to undertake any further realization efforts in respect of the Migu Entities' assets, or file a plan of arrangement in respect of the Migu Entities, both options are still possible and, as stated in the Sixth Report, the Monitor and the Petitioners, among other stakeholders, requires additional time to consider these companies' exit from these proceedings; and

- (c) the creditors of the Migu Entities will not be prejudiced by the extension of the Stay; and

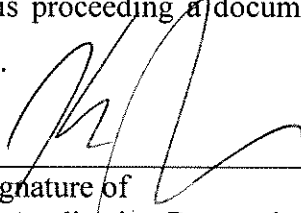
Part 6: MATERIALS TO BE RELIED ON

1. Sixth Report of the Monitor, dated November 1, 2019;
2. Such further and other materials as counsel for the Petitioners may advise and this Honourable Court shall permit.

The Application Respondent estimates that the application will take **30 minutes**.

- ☒ The Application Respondent has filed in this proceeding a document that contains the Application Respondent's address for service.

Dated: 05-Nov-2019



Signature of
☐ Application Respondent
☒ Lawyer for Application Respondent

Kibben Jackson

The Solicitors for the Application Respondent are Fasken Martineau DuMoulin LLP, whose office address and address for delivery is 550 Burrard Street, Suite 2900, Vancouver, BC V6C 0A3 Telephone: +1 604 631 3131 Facsimile: +1 604 631 3232. (Reference: Kibben Jackson/316709.00001)