

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**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
CLOVER LEAF HOLDINGS COMPANY, CONNORS BROS. CLOVER LEAF
SEAFOODS COMPANY, K.C.R. FISHERIES LTD., 6162410 CANADA LIMITED,
CONNORS BROS. HOLDINGS COMPANY AND CONNORS BROS. SEAFOODS
COMPANY**

Applicants

**AFFIDAVIT OF GARY WARE
(sworn November 21, 2019)**

I, Gary Ware, of the City of Whitby, in the Province of Ontario, **MAKE OATH AND
SAY:**

1. I am the Vice President and Secretary of Clover Leaf Holdings Company ("**CLHC**"), Connors Bros. Clover Leaf Seafoods Company ("**CBCLS**") and a director of 6162410 Canada Limited ("**6162410**"), which together with K.C.R. Fisheries Ltd. ("**KCR**"), Connors Bros. Holdings Company ("**CBHC**") and Connors Bros. Seafoods Company ("**CBSC**"), comprise the applicants in these proceedings (the "**Applicants**" or "**Clover Leaf**"). CBCLS, 6162410, KCR and CBSC are subsidiaries of CLHC, and CBHC is a sister company to CLHC. As such, I have knowledge of the matters hereinafter deposed to, except where stated to be on information and belief, and where so stated, I believe such information to be true. The Applicants are affiliated with a number of U.S. entities (collectively, "**U.S. Bumble Bee**"), certain of which commenced Chapter 11 Proceedings (as defined below). References to the "**Bumble Bee Group**" herein, collectively include U.S. Bumble Bee and the Applicants.
2. The Applicants have commenced this Application for relief pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**" and the proceedings therein, the "**CCAA Proceedings**"), as part of Clover Leaf's and U.S. Bumble

Bee's efforts to effect a coordinated sale of their respective businesses and affairs so that they can each continue as a going concern. On November 21, 2019, certain of the U.S. Bumble Bee entities (collectively, the "**U.S. Debtors**"),¹ filed voluntary petitions for relief pursuant to title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as amended in the United States Bankruptcy Court for the District of Delaware (the "**U.S. Bankruptcy Court**"). None of the Applicants are U.S. Debtors and none of the U.S. Debtors are Applicants.

3. The cases commenced by the U.S. Debtors in the U.S. Bankruptcy Court are referred to herein as the "**Chapter 11 Proceedings**" (and together with the "CCAA Proceedings, the ("**Insolvency Proceedings**"). None of the Applicants are debtors in the Chapter 11 Proceedings and none of the U.S. Debtors are applicants in the CCAA Proceedings.
4. Details in respect of the Chapter 11 Proceedings, and the intended purpose of the Chapter 11 Proceedings and the CCAA Proceedings are set forth in the press release issued by the Bumble Bee Group on November 21, 2019 (the "**Press Release**"). A copy of the Press Release is attached hereto as Exhibit "A". I understand that details in respect of the Chapter 11 Proceedings, including orders granted by the U.S. Bankruptcy Court in the Chapter 11 Proceedings, will be made available on the following website established by Prime Clerk, LLC, the proposed noticing and claims agent for the U.S. Debtors: <https://cases.primeclerk.com/bumblebee>.
5. The Bumble Bee Group's global corporate structure chart, including the Clover Leaf business, is attached hereto as Exhibit "B".
6. Certain members of the Bumble Bee Group, including certain of the Applicants, are borrowers and/or guarantors under a secured term loan facility (the "**Term Loan Facility**") and a secured asset based revolving facility (the "**ABL Facility**" and together with the Term Loan Facility, the "**Credit Facilities**"). As of October 26, 2018, the aggregate amount outstanding under the Credit Facilities was approximately US\$820.8 million. As a result of certain financial pressures, which include: (i) the inability to pay outstanding amounts

¹¹ The U.S. Debtors are Bumble Bee Parent, Inc.; Bumble Bee Holdings, Inc.; Bumble Bee Foods, LLC; Anova Food, LLC; and Bumble Bee Capital Corp.

owing under the Credit Facilities; (ii) the existence of events of default under the Term Loan Facility (which are currently subject to a limited waiver); and (iii) ongoing litigation to which they are subject, various members of the Bumble Bee Group, including the Applicants, are insolvent (and have admitted so in the Press Release given the express stated intent to commence proceedings under the CCAA).


7. The "first day hearings" in the Chapter 11 Proceedings are intended to take place on or around November 22, 2019. In order to ensure that any relief sought by the Applicants is consistent with any relief granted to the U.S. Debtors at such hearings, the Applicants are deferring seeking such relief from this Court. However, given that the Applicants have publicly admitted their insolvency and announced their intention to commence the CCAA Proceedings, they are seeking a stay of proceedings and appointment of a Monitor now in order to protect their business and assets pending a hearing before this Court on the more comprehensive relief which will be sought.
8. In connection with the present Application, the Applicants are seeking the Proposed Initial Order which:
 - (a) declares that each Applicant is a company to which the CCAA applies;
 - (b) stays all proceedings and remedies taken or that might be taken in respect of the Applicants, their directors and officers, the Monitor, any of the Applicants' property or any default of the Applicants, until December 2, 2019 (the "**Return Date**");
 - (c) provides for continued use of the Applicants' cash management system and bank accounts in order to allow Clover Leaf to operate in the ordinary course and maintain access to its bank accounts; and
 - (d) appoints Alvarez & Marsal Canada Inc. ("**A&M**") as Monitor of the Applicants in the CCAA Proceedings.
9. A copy of A&M's consent to act as Monitor in the CCAA Proceedings is attached hereto as Exhibit "C".

10. The Applicants, with the assistance of A&M, have prepared a preliminary 13-week cash flow forecast (the "**Cash Flow Forecast**"), as required by the CCAA. A copy of the Cash Flow Forecast is attached hereto as Exhibit "D", which includes management's representations in respect of the Cash Flow Forecast as required pursuant to section 10(2)(b) of the CCAA. The Cash Flow Forecast shows that the Applicants can continue operations during the stay period under the Proposed Initial Order.
11. U.S. Bumble Bee prepares financial statements that report the consolidated financial position and performance of the entire Bumble Bee Group. Financial statements are also prepared for Clover Leaf on an unconsolidated basis that report on the financial position and performance of Clover Leaf's business. Attached hereto as Exhibit "E" are unaudited financial statements for Clover Leaf for the year ended December 31, 2018 and the ten months ended October 26, 2019.
12. In parallel to the relief being sought in the Chapter 11 Proceedings, prior to the Return Date, as detailed in the Notice of Application filed as part of the commencement of the CCAA Proceedings (the "**Notice of Application**"), the Applicants intend to seek an amended and restated Initial Order (the "**Amended and Restated Initial Order**") from this Court, seeking approval of, among other things:
 - (a) debtor-in-possession financing;
 - (b) a key employee incentive plan;
 - (c) certain court-ordered charges over all of the property of the Applicants; and
 - (d) the payment of amounts owing to suppliers, employees and taxing authorities for the period prior to and following the granting of the Proposed Initial Order.
13. I understand that A&M will file a report with the Court as Monitor in connection with the Applicants' request for this additional relief. The Applicants will file a comprehensive Affidavit in support of seeking such relief.
14. In connection with the commencement of the Insolvency Proceedings, the Applicants and Bumble Bee U.S. have entered into an asset purchase agreement with certain affiliates of

FCF Co., Ltd. for the sale of substantially all of the assets of the Bumble Bee Group (including the Applicants) (the "**Stalking Horse APA**"). The Applicants and the U.S. Debtors will both be seeking approval to solicit higher and better bids pursuant to bidding procedures and a sales process which will be the subject of motions in both the Chapter 11 Proceedings and the CCAA Proceedings in the coming weeks (the "**Sales Process**"). No relief is being sought in connection with the Stalking Horse APA or the Sales Process in the Proposed Initial Order or is contemplated to be sought in the Amended and Restated Initial Order.

15. If granted, the relief to be sought in the Proposed Initial Order, in conjunction with the relief sought in the Chapter 11 Proceedings, will allow the Bumble Bee Group, including the Applicants, to set the wheels in motion for a sale of their respective businesses as a going concern, under the CCAA, to the benefit of the Bumble Bee Group's stakeholders.
16. For the reasons set out above and in the Notice of Application, I believe it is in the best interests of the Applicants and their stakeholders that the Proposed Initial Order be granted and that A&M be appointed as Monitor of the Applicants.

SWORN BEFORE ME at the City of
Toronto, in the Province of Ontario,
on November 21, 2019.



Commissioner for Taking Affidavits
Michael S. Shaker



Gary Ware

TAB A

This is Exhibit "A" *referred to in the*

affidavit of Gary Ware
sworn before me, this 21st

day of November, 2019



.....
A COMMISSIONER FOR TAKING AFFIDAVITS

Michael S. Shakur

Media Information:

Lindsey Brown

Fleishman Hillard

lindsey.brown@fleishman.com

858-203-1135

General Information:

Jennifer E. Mercer

Paladin

jmercerc@paladinmgmt.com

213-223-2289

FOR IMMEDIATE RELEASE

**Bumble Bee Foods Enters into Asset Purchase Agreement and Commences Voluntary
Chapter 11 Proceeding in U.S. and Proceedings under the Companies' Creditors
Arrangement Act in Canada to Facilitate Sale;
Company to Continue Operating Business as Usual**

Process Allows for Continued Transformation with Focus on Innovation and Growth

SAN DIEGO (Nov. 21, 2019) – Bumble Bee Foods, one of North America's largest branded shelf-stable seafood companies, announced today that it has entered into an asset purchase agreement with affiliates of FCF Co., Ltd., which has agreed to acquire the company's assets for approximately \$925 million. To facilitate the sale and reduce its debt burden caused by recent and significant legal challenges, the company has initiated proceedings under chapter 11 of the U.S. Bankruptcy Code in the District of Delaware. Bumble Bee has received new financing commitments from its existing lenders that will provide sufficient liquidity to fund the business through the closing of the sale.

"It's been a challenging time for our company but today's actions allow us to move forward with minimal disruption to our day-to-day operations," said Jan Tharp, President and Chief Executive Officer for Bumble Bee. "We have an experienced leadership team in place and plan to transform our business in bold and innovative ways that will build a legacy worthy of our proud 120-year-old history."

Bumble Bee intends to file a bid procedures and sale motion along with the purchase agreement promptly. FCF will serve as the "stalking horse" purchaser for the sale process. Its bid will be subject to a court-supervised auction process designed to achieve the highest or otherwise best offer for the company's business. Tharp said she anticipates that the transaction will move swiftly and close within 60-90 days.

As part of the sale transaction, Bumble Bee's Canadian affiliate, Connors Bros. Clover Leaf Seafoods Company ("CBCLS"), will be initiating proceedings under the Companies' Creditors Arrangement Act (the "CCAA"). As part of the CCAA, CBCLS intends to seek approval of the appointment of Alvarez & Marsal Canada Inc. as the Monitor to oversee the CCAA proceedings.

"It is our clear intent that all U.S. and Canadian operations continue uninterrupted. Employees will get paid, our customer partners can count on us to continue delivering outstanding brands and services, and vendors will be paid in the ordinary course of business," added Tharp.

Court filings as well as other information related to the U.S. proceeding are available at <https://cases.primeclerk.com/bumblebee>, by calling 877-506-1401 (US/Canada Toll Free Number) or 917-942-8390 (International Toll Number), or by emailing inquiries to bumblebeeinfo@primeclerk.com.

For information regarding the CCAA process, please visit the Monitor's website at www.alvarezandmarsal.com/CloverLeaf or contact the Monitor by email at CloverLeaf@alvarezandmarsal.com.

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ABOUT BUMBLE BEE FOODS

Bumble Bee is a health and wellness focused company with a full line of high-quality seafood and specialty protein products marketed under leading brands including Bumble Bee®, Brunswick®, Snow's®, Wild Selections® and Beach Cliff®. For more information on Bumble Bee, visit www.BumbleBee.com.

ABOUT CONNORS BROS. CLOVER LEAF SEAFOODS

CBCLS is Canada's leading supplier of shelf-stable seafood, producing and marketing its products under several brands, including Clover Leaf®, Brunswick® and Wild Selections®. CBCLS's international business distributes products under the Brunswick® Bumble Bee® and Beach Cliff® brands to over 40 markets and countries, including Barbados, Jamaica, and Trinidad & Tobago. For more information on CBCLS, visit www.cloverleaf.ca.

TAB B

This is Exhibit.....**"B"**.....*referred to in the*
affidavit of.....**Gary Ware**.....
sworn before me, this.....**21st**.....
day of**November, 2019**.....



.....**A COMMISSIONER FOR TAKING AFFIDAVITS**.....

Michael S. Shaker

TAB C

This is Exhibit.....**"C"**.....*referred to in the*
affidavit of.....**Gary Ware**.....
sworn before me, this.....**21st**.....
day of**November, 2019**.....

.....
.....**A COMMISSIONER FOR TAKING AFFIDAVITS**.....

Michael S. Shakun

Court File No. _____

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**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 CLOVER LEAF HOLDINGS COMPANY, CONNORS
BROS. CLOVER LEAF SEAFOODS COMPANY, K.C.R. FISHERIES LTD.,
6162410 CANADA LIMITED, CONNORS BROS. HOLDINGS COMPANY
AND CONNORS BROS. SEAFOODS COMPANY
(collectively, the "Applicants")**

CONSENT TO ACT AS MONITOR

ALVAREZ & MARSAL CANADA INC. hereby consents to act as the Monitor of the Applicants under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended, in respect of these proceedings, if so appointed by the court.

Dated at Toronto, Ontario this 18th day of November, 2019.

ALVAREZ & MARSAL CANADA INC.


By:



Alan J. Hutchens
Senior Vice-President

TAB D

This is Exhibit.....**“D”**.....*referred to in the*
affidavit of.....**Gary Ware**.....
sworn before me, this.....**21st**.....
day of**November, 2019**.....

.....
.....**A COMMISSIONER FOR TAKING AFFIDAVITS**.....

Michael S. Shuckee

Clover Leaf Holdings Company
Cash Flow Forecast
(Unaudited, in 000s CAD)

Week Ending	Notes	Week 1 Nov 23	Week 2 Nov 30	Week 3 Dec 7	Week 4 Dec 14	Week 5 Dec 21	Week 6 Dec 28	Week 7 Jan 4	Week 8 Jan 11	Week 9 Jan 18	Week 10 Jan 25	Week 11 Feb 1	11 Week Total
Total Receipts	1	4,750	4,669	5,382	6,348	5,844	6,296	6,426	6,168	5,852	5,827	5,734	63,297
Disbursements													
Raw Material & Finished Goods	2	(1,116)	(2,252)	(1,099)	(1,243)	(925)	(1,754)	(1,572)	(1,624)	(1,892)	(2,115)	(1,868)	(17,462)
Freight and Warehousing	3	(202)	(174)	(174)	(174)	(174)	(174)	(170)	(170)	(170)	(170)	(170)	(1,922)
Plant Spend	4	(944)	(940)	(743)	(155)	(275)	(154)	(308)	(232)	(1,010)	(890)	(1,010)	(6,561)
Payroll	5	(297)	-	(297)	-	(297)	-	(297)	-	(297)	-	(297)	(1,782)
Selling, General and Administrative	6	(164)	(464)	(274)	(124)	(124)	(963)	(154)	(304)	(154)	(154)	(587)	(3,466)
Capital Expenditures	7	(69)	(53)	(53)	(53)	(53)	(53)	(387)	(387)	(387)	(387)	(387)	(2,267)
Total Operating Disbursements		(2,792)	(3,783)	(2,640)	(1,748)	(1,848)	(3,098)	(2,888)	(2,718)	(3,911)	(3,716)	(4,319)	(33,460)
Net Operating Cash Flow		1,958	887	2,742	4,600	3,996	3,197	3,538	3,451	1,941	2,111	1,415	29,836
Other Disbursements													
Interest & Fees	8	(36)	(5,047)	(61)	(60)	(60)	(60)	(2,050)	(60)	(59)	(59)	(2,059)	(9,610)
Restructuring Professional Fees	9	(1)	(417)	(528)	-	(782)	(1,949)	(7)	(573)	(3)	-	(729)	(4,688)
KEIP	10	-	-	-	-	-	-	-	-	-	-	-	(2,314)
Intercompany Transfers	11	-	-	-	(3,761)	(3,154)	(1,489)	(1,481)	(2,818)	(1,880)	(2,052)	(2,304)	(18,938)
Total Other Disbursements		(36)	(5,464)	(589)	(3,821)	(3,996)	(3,197)	(3,538)	(3,451)	(1,941)	(2,111)	(7,405)	(35,550)
Net Cash Flow		1,921	(4,577)	2,153	779	-	-	-	-	-	-	(5,980)	(5,714)
Prepetition ABL Facility, net of cash													
Opening Balance		(47,530)	(45,609)	-	-	-	-	-	-	-	-	-	(47,530)
Repayment of Prepetition ABL Facility		-	45,609	-	-	-	-	-	-	-	-	-	45,609
ABL (Draw)/Repayment		1,921	-	-	-	-	-	-	-	-	-	-	1,921
Ending Balance		(45,609)	-	-	-	-	-	-	-	-	-	-	-
DIP ABL Facility													
Opening Balance		-	-	(50,186)	(48,033)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	-
(Repayment) of Prepetition ABL Facility		-	(45,609)	-	-	-	-	-	-	-	-	-	(45,609)
DIP ABL (Draw)/Repayment		-	(4,577)	2,153	779	-	-	-	-	-	-	(5,980)	(7,835)
Ending Balance		-	(50,186)	(48,033)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	(47,254)	(53,244)	(53,244)

Prepared by Management. To be read in conjunction with the Notes and Summary of Assumptions.

Clover Leaf Holdings Company

Cash Flow Forecast

Notes and Summary of Assumptions

Disclaimer

In preparing this cash flow forecast (the "Forecast"), Clover Leaf has relied upon unaudited financial information and has not attempted to further verify the accuracy or completeness of such information. The Forecast includes assumptions discussed below with respect to the requirements and impact of a filing under the Companies' Creditors Arrangement Act ("CCAA"). Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved will vary from the Forecast, even if the assumptions materialize, and such variations may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.

The Forecast is presented in thousands of Canadian dollars. Receipts and disbursements denominated in US currency have been converted into Canadian dollars at an exchange rate of C\$1.00:US\$0.75.

Assumptions

1) Receipts

Cash receipts include: (a) collections from accounts receivable, booked sales orders and additional sales forecast during the period; and (b) forecast HST refunds.

2) Raw Material & Finished Goods

Disbursements include fish, seafood and packaging forecast based on estimated production levels during the Forecast period. All pre-filing balances owing to third-party suppliers are forecast to be paid in the ordinary course. Normal trade terms are projected throughout the Forecast period.

3) Freight and Warehousing

Disbursements include costs associated with inbound/outbound freight, import duties and warehousing costs, projected based on normal trade terms throughout the Forecast period.

4) Plant Spend

Disbursements include costs incurred at the Blacks Harbour Facility, including payroll, utilities and operating costs.

5) Payroll

Disbursements include the Company's corporate payroll, benefits and taxes.

6) Selling, General and Administrative

Disbursements include marketing, brokerage and other operating costs.

7) Capital Expenditures

Disbursements include normal course maintenance capex, primarily at the Blacks Harbour Facility.

8) Interest and Fees

Disbursements include: (a) interest and fees relating to the DIP ABL Facility, based on Clover Leaf's projected borrowings during the Forecast period; and (b) accrued interest relating to the pre-filing Term Loan for both the pre-filing and post-filing period.

9) Restructuring Professional Fees

Disbursements include the Company's Canadian legal counsel, the Monitor and its legal counsel, and legal counsel to the DIP ABL and DIP Term Loan lenders.

10) KEIP

Disbursements include estimated costs in connection with Clover Leaf's KEIP.

11) Intercompany Transfers

During the Forecast period, Clover Leaf is projected to make certain intercompany transfers to Bumble Bee U.S. Readers are directed to the Proposed Monitor's Pre-Filing Report for additional information regarding Intercompany Transfers during the CCAA Proceedings.



CONNORS BROS. CLOVER LEAF SEAFOODS COMPANY

80 TIVERTON COURT, SUITE 600, MARKHAM, ONTARIO, L3R 0G4 • TEL: 905-474-0608 • TOLL FREE: 1-877-893-8770 • www.cloverleaf.ca

Alvarez & Marsal Canada Inc.
200 Bay Street, Suite 2900
Toronto ON M5J 2J1

Attention: Mr. Alan J. Hutchens

Dear Sirs:

Re: Clover Leaf Holdings Company, Connors Bros. Clover Leaf Seafoods Company, K.C.R. Fisheries Ltd., 6162410 Canada Limited, Connors Bros. Holding Company and Connors Bros. Seafoods Company ("Clover Leaf") – CCAA section 10(2) Prescribed Representations with Respect to Cash Flow Forecast

In connection with the application by Clover Leaf for the commencement of proceedings under the *Companies' Creditors Arrangement Act*, the management of Clover Leaf has prepared the attached 11-week projected cash flow statement for the period November 17, 2019 to February 1, 2020 (the "**Cash Flow Statement**") and the list of assumptions on which the Cash Flow Statement is based. The purpose of the Cash Flow Statement is to determine the liquidity requirements of Clover Leaf during the CCAA proceedings.

Clover Leaf confirms that the hypothetical assumptions on which the Cash Flow Statement is based are reasonable and consistent with the purpose described herein, and the probable assumptions are suitably supported and consistent with the plans of Clover Leaf and provide a reasonable basis for the projections. All such assumptions are disclosed in notes to the Cash Flow Statement (the "**Notes**").

Since the projections are based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.


The projections have been prepared solely for the purpose described herein, using the probable and hypothetical assumptions set out in the Notes. Consequently, readers are cautioned that the Cash Flow Statement may not be appropriate for other purposes.

Yours truly,

Per:
Name: Gary F. Ware
Title: Chief Financial Officer, Canada

TAB E

This is Exhibit.....**“E”**.....*referred to in the*
affidavit of.....**Gary Ware**.....
sworn before me, this.....**21st**.....
day of**November, 2019**.....

.....
.....
A COMMISSIONER FOR TAKING AFFIDAVITS

Michael / S. Shuck

Clover Leaf Holdings Company
Consolidated income statement (unaudited)
For the year ended December 31, 2018
(in 000s CAD)

Net sales	293,696
Cost of Sales and SG&A	(258,965)
Amortization	<u>(3,471)</u>
Operating Income	31,260
Net interest expense	(14,159)
Total other (income) expense	(4,322)
Restructuring & other transition costs	<u>(13,637)</u>
Net income (loss) before income tax	(858)
Income taxes	<u>(3,719)</u>
Net income (loss)	<u>(4,577)</u>

Clover Leaf Holdings Company
Consolidated balance sheet (unaudited)
As at December 31, 2018
(in 000s CAD)

Cash and cash equivalents	1
Accounts receivable	32,803
Intercompany	6,246
Inventories	96,248
Prepaid expenses & other current assets	1,066
Total current assets	136,364
PP&E, net	36,926
Investments in subsidiaries	-
Intercompany notes receivable	155,627
Total other long-term assets	3,878
Goodwill	13,865
Trademarks	48,293
Other intangible assets, net	56,946
Total long-term assets	315,536
Total assets	451,900
Current portion of capital leases & other	2,692
Accounts payable	29,289
Accrued expenses	14,412
Income taxes payable	1,144
Total other current liabilities	509
Total current liabilities	48,046
Term notes payable, net of DD/IC	184,995
Revolving credit facility, net of DD/IC	(607)
Subordinated notes, net of DD/IC	-
Capital leases and other debt	212
Intercompany notes payable	123,040
Deferred income taxes	7,110
Pension and other long-term obligations	-
Long-term liabilities	314,751
Common units or stock	7,168
Retained earnings (deficit)	84,139
Total CTA and AOCI	(2,204)
Total equity	89,103
Total liabilities and equity	451,900

Clover Leaf Holdings Company
Consolidated income statement (unaudited)
For the ten months ended October 26, 2019
(in 000s CAD)

Net sales	230,202
Cost of Sales and SG&A	(205,100)
Amortization	<u>(2,605)</u>
Operating Income	22,497
Net interest expense	(16,173)
Total other (income) expense	(2,230)
Restructuring & other transition costs	<u>2,505</u>
Net income (loss) before income tax	6,599
Income taxes	<u>(1,094)</u>
Net income (loss)	<u>5,505</u>

Clover Leaf Holdings Company
Consolidated balance sheet (unaudited)
As at October 26, 2019
(in 000s CAD)

Cash and cash equivalents	1
Accounts receivable	27,937
Intercompany	22,305
Inventories	96,036
Prepaid expenses & other current assets	<u>2,452</u>
Total current assets	148,731
PP&E, net	35,853
Investments in subsidiaries	-
Intercompany notes receivable	187,893
Total other long-term assets	3,630
Goodwill	13,865
Trademarks	48,293
Other intangible assets, net	<u>54,392</u>
Total long-term assets	343,927
Total assets	<u>492,657</u>
Current portion of capital leases & other	4,687
Accounts payable	12,754
Accrued expenses	16,637
Income taxes payable	1,962
Total other current liabilities	<u>146</u>
Total current liabilities	36,185
Term notes payable, net of DD/IC	174,842
Revolving credit facility, net of DD/IC	47,730
Subordinated notes, net of DD/IC	-
Capital leases and other debt	511
Intercompany notes payable	130,929
Deferred income taxes	6,765
Pension and other long-term obligations	<u>1,484</u>
Long-term liabilities	362,261
Common units or stock	7,168
Retained earnings (deficit)	89,644
Total CTA and AOCI	<u>(2,599)</u>
Total equity	94,212
Total liabilities and equity	<u>492,657</u>

IN THE MATTER OF THE *COMPANIES CREDITORS' ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF CLOVER LEAF HOLDINGS
COMPANY, CONNORS BROS. CLOVER LEAF SEAFOODS COMPANY, K.C.R. FISHERIES LTD., 6162410 CANADA
LIMITED, CONNORS BROS. HOLDINGS COMPANY and CONNORS BROS. SEAFOODS COMPANY

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

AFFIDAVIT OF GARY WARE

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Kevin Zych (LSO# 33129T)
Sean Zweig (LSO# 57307I)
Mike Shakra (LSO# 64604K)

Tel: 416-863-1200
Fax: 416-863-1716

Lawyers for the Applicants