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CANADA  
PROVINCE OF QUÉBEC  
DISTRICT OF MONTREAL  
COURT N°:500-11-065405-256

SUPERIOR COURT  
Commercial Division

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

**PELICAN INTERNATIONAL INC.**

-and-

**PELICAN US TOPCO LLC**

-and-

**CONFLUENCE OUTDOOR INC.**

Debtors

-and-

**FTI CONSULTING CANADA INC.**

Monitor

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**SECOND REPORT TO THE COURT  
SUBMITTED BY FTI CONSULTING CANADA INC.,  
IN ITS CAPACITY AS MONITOR**

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## INTRODUCTION

1. On February 28, 2025, Pelican International Inc. ("**Pelican**") filed a Notice of Intention to Make a Proposal under the relevant provisions of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, ("**NOI Proceedings**"), and KPMG Inc. was appointed as the proposal trustee in the Pelican NOI Proceedings (the "**Proposal Trustee**").
2. On March 18, 2025, National Bank of Canada ("**NBC**", as administrative agent, collateral agent and hypothecary representative (in such capacity, the "**Agent**"), of a syndicated secure loan advanced by NBC, Bank of Montreal, Fédération des Caisses Desjardins du Québec and The Toronto-Dominion Bank (collectively the "**Lenders**"), filed an application entitled Application for the Issuance of an Initial Order, an Amended and Restated Initial Order and a Sale and Investment Solicitation Process Order (the "**Initial Application**") before this honourable Court (the "**Court**") to commence proceedings under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (as amended, the "**CCAA**") seeking the issuance of an order including relief declaring that Pelican, Pelican US Topco LLC. ("**Pelican US Topco**") and Confluence Outdoor Inc. ("**Confluence**" and, together with Pelican and Pelican US Topco, the "**Debtors**") are debtor companies subject to the CCAA, providing for a stay of proceedings in respect of the Debtors, the appointment of FTI Consulting Canada Inc. ("**FTI**" or the "**Proposed Monitor**") as Monitor and various other relief measures (the "**CCAA Proceedings**").
3. On March 18, 2025, FTI, then in its capacity as proposed Monitor, issued its pre-filing report to the Court (the "**Pre-Filing Report**") as part of the CCAA Proceedings. The purpose of the Pre-Filing Report was to provide information to the Court with respect to the Debtors' financial situation and the relief sought by the Lenders as part of the Application, and, more specifically, as part of the proposed Initial Order.
4. On March 19, 2025, the Court granted the Initial Application and rendered an order (the "**Initial Order**"), which provides for, *inter alia*, (i) a stay of proceedings against the Debtors, their properties and their directors and officers until and including March 28, 2025 (the "**Stay Period**"); (ii) the appointment of FTI as Monitor to the Debtors in the context of the CCAA Proceedings ; (iii) the approval of an Interim Financing entered into between the Lenders, (the "**Interim Lenders**"), and the Debtors, as borrowers, as well as the authorization for the Debtors to borrow thereunder an amount of up to \$4,000,000, to be secured by an "**Interim Lender's Charge**" of \$4,800,000, (iv) the approval of the key employee retention plan (the "**KERP**") to be secured by a charge in the amount of \$495,000 (the "**KERP Charge**"), (v) the establishment of an "**Administration Charge**" of \$1,000,000 and (vi) the establishment of a directors' and officers' charge (the "**D&O Charge**") of \$1,300,000.
5. On March 19, 2025, the Court also granted the Sale and Investment Solicitation Process Order (the "**SISP Order**") thereby, *inter alia*, approving the conduct by the Monitor of a sale and investment solicitation process in accordance with the procedures annexed to the SISP Order (the "**Bidding Procedures**").
6. The purpose of this second report of the Monitor (the "**Second Report**") is to update the Court with respect to:
  - The Monitor's activities since the issuance of the Initial Order;
  - The Going Concern SISP;
  - The Chapter 15 Proceedings in the United States;
  - The cash flow results for the week ended March 23, 2025;
  - The Debtors' weekly cash flow forecasts for the period ending on April 28, 2025;
  - The Proposed Amended and Restated Initial Order (the "**Proposed ARIO**"), and the relief sought by the Applicant;

- Supplier Issues
- Ancillary Matters;
- The Monitor's recommendations with respect to the relief sought by the Applicant.

7. The Second Report should be read in conjunction with the Pre-Filing Report.

#### **TERMS OF REFERENCE**

8. In preparing this Second Report, the Monitor has relied upon unaudited financial information of the Debtors, the Debtors' books and records, certain financial information prepared by the Debtors and discussions with various parties (the "**Information**").
9. Except as otherwise described in this Second Report:
  - (a) The Monitor has not audited, reviewed, or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and
  - (b) The Monitor has not examined or reviewed financial forecasts and projections referred to in this Second Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.
10. The Monitor has prepared this Second Report solely for the purpose of providing the Court with information in relation to the reliefs sought by the Applicant, and this Second Report should not be relied on for any other purpose.
11. Future oriented financial information reported or relied on in preparing this Second Report is based on the assumptions of the management of the Debtors ("**Management**") and is based on assumptions regarding future events; actual results may vary from forecasts and such variations may be material.
12. Unless otherwise stated, all monetary amounts contained herein are expressed in **Canadian Dollars**. Capitalized terms not otherwise defined herein have the meanings given to them in the Pre-Filing Report or in the Initial Application.

#### **THE MONITOR'S ACTIVITIES SINCE THE ISSUANCE OF THE INITIAL ORDER**

13. On March 20, 2025 or shortly after the Monitor posted a copy of the Initial Application, the Pre-Filing Report, the Initial Order, the SISP Order and the service list on the Monitor's website at <http://cfcanada.fticonsulting.com/Pelican> (the "**Monitor Website**"). The Monitor also set up a dedicated email address ([pelican@fticonsulting.com](mailto:pelican@fticonsulting.com)) and a dedicated voicemail (514-446-5124) to allow interested parties to contact the Monitor directly for questions with respect to the Debtors' restructuring process and the CCAA Proceedings.

14. On March 26, 2025, the Monitor sent, either by prepaid ordinary mail or by email:
- (a) a notice to all known creditors having a claim against the Debtors based on contact information provided to the Monitor by Management, which included information about the CCAA Proceedings, the Monitor's email address, voicemail number and the Monitor's Website (the "**Notice to Creditors**"). The Notice to Creditors was sent to approximately 418 creditors and was also posted on the Monitor's Website;
  - (b) a notice to all known employees of the Debtors, which included information about the CCAA Proceedings, the Monitor's email address, voicemail number and the Monitor's Website (the "**Notice to Employees**"). The Notice to Employees was sent to approximately 446 employees.
15. The Monitor also filed the first and the second forms (Form 1 and 2) with respect to the granting of the Initial Order and certain information required by the Office of the Superintendent of Bankruptcy.
16. In addition, the Monitor prepared, and has made the necessary arrangements for the publication of a notice of the Initial Order and CCAA Proceedings in *La Presse +* (French version) and the *Globe and Mail National Edition* (English version) for March 26 and for April 2, 2025, a copy of said notice will also be posted on the Monitor's Website.
17. Separate notices and publications were made in connection with the SISP and in accordance with the SISP Order as further detailed below.
18. The Monitor held numerous discussions with employees, suppliers and both secured and unsecured creditors, in order to stabilize the Debtors' operations.
19. Moreover, since the hearing on the Initial Order, the Monitor has been in communication with the minority shareholders of GSI Outdoor LLC and their legal representatives (GSI IDK HoldCo Inc. - 15% equity holder) in respect of the initiation of the sale and investment solicitation process for the assets and stock of GSI Outdoor LLC ("**GSI SISP**"). These initial discussions have been collaborative and allowed for the initiation of the GSI SISP, as further detailed below.
20. Pursuant to the Initial Order, the Monitor was granted the power to control the Debtors' receipts and disbursements. Accordingly, following the issuance of the Initial Order, the Monitor issued notices to NBC and BMO Harris (where the Debtors' bank accounts are located) to advise both parties of the CCAA Proceedings and in particular, the terms of the Initial Order granting the Monitor the power to control the Debtors' receipts and disbursements.
21. The Monitor supervised receipts and disbursements on a daily basis and held daily meetings with management to discuss operations and potential restructuring measures.

#### **UPDATE ON THE GOING CONCERN SALE AND INVESTMENT SOLICITATION PROCESS**

22. In accordance with the SISP Order, the Monitor and its affiliate, FTI Capital Advisors – Canada ULC ("**FTICA**"), with the assistance of the Debtors, commenced the Going Concern SISP in respect of the Debtors. Capitalized terms used in this section have the meanings ascribed to them in the SISP Order.

23. As set out in the Bidding Procedures, the following are the remaining key milestones under the Going Concern SISP:

Event	Deadline
1. <b><u>Bid Deadline &amp; Qualified Bidders</u></b> : Bid deadline (for delivery of definitive offers by Qualified Bidders in accordance with requirements of paragraph 15 of the SISP Procedures)	By no later than April 10, 2025, at 5:00 p.m. (prevailing Eastern Time)
2. <b><u>Auction(s)</u></b> : Auction(s) (if needed)	April 14, 2025
3. <b><u>Selection of final Successful Bid(s)</u></b> : Deadline for selection of final Successful Bid(s)	Week of April 14, 2025
4. <b><u>Definitive Documentation</u></b> : Completion of definitive documentation in respect of Successful Bid(s)	Week of April 21, 2025
5. <b><u>Approval Application – Successful Bid(s)</u></b> : Filing of Approval Application in respect of Successful Bid(s)	Week of April 21, 2025
6. <b><u>Closing – Successful Bid(s)</u></b> : Anticipated deadline for closing of Successful Bid(s)	Week of April 21, 2025, or such an earlier date as is achievable
7. <b><u>Outside Date – Closing</u></b> : Outside Date by which the Successful Bid must close	April 28, 2025

24. As indicated above, the Monitor, with the assistance of FTICA and the collaboration of GSI, also initiated the GSI SISP in respect of the assets and business of GSI Outdoors LLC. In the context of the GSI SISP, interested parties are invited to submit a Phase 1 non-binding bid by no later than 5:00 p.m. EST on May 5, 2025, with definitive bids to be submitted by Phase 2 Qualified Bidders by no later than 5:00 p.m. EST on June 23, 2025.
25. The Monitor, assisted by FTICA, prepared the solicitation documents following the issuance of the SISP Order, which included at the onset, a teaser letter (the “**Teaser**”) presenting an overview of the Debtors and GSI Outdoors LLC as well as a reminder of the applicable deadlines. The Teaser is attached to this Second Report as **Appendix A**.
26. The Monitor, assisted by FTICA and the Debtors assembled a list of potential buyers and investors (the “**Prospective Bidders**”). The list is attached to this Second Report as **Appendix B** (under seal).
27. On March 21, 2025, the Teaser was sent out to approximately 235 prospective parties identified as Prospective Bidders.
28. Following the receipt of the solicitation materials, as of the date hereof, a total of 19 parties have executed a Non-Disclosure Agreement (with a further eight (8) currently in negotiations) and were granted access to the Virtual Data Room.
29. The Monitor, with the assistance of FTICA, is presently preparing a confidential information memorandum (the “**CIM**”), which sets out the Debtors’ business in greater detail. The Monitor expects to post the CIM in the Virtual Data Room in the coming week.
30. With the objective of preserving and safeguarding the integrity of the Going Concern SISP, certain specific provisions were included at the request of the Monitor to the SISP Procedures, in view of the potential participation of a Related Bidder (namely one of the Debtors’ shareholders, directors or officers, or any person related thereto, that intends to act as a bidder or forming part of an entity or group that will act as such).

31. These provisions require that a Related Bidder advise the Monitor in writing, at least fourteen (14) days prior to the Bid Deadline (i.e., at the latest on March 27, 2025, the “**Related Bidder Notice Deadline**”), if it intends to act as a bidder.
32. As of the date of this Second Report, the Monitor has received an additional notice under said provisions, for a total of two (2) Related Bidder Notices.
33. Finally, a notice of the Going Concern SISP and the GSI SISP was published in La Presse + and The Globe and Mail on March 27, 2025, and a press release setting out the notice and other relevant information regarding the Going Concern SISP and the GSI SISP was issued on March 27, 2025 on Canada Newswire.
34. The Monitor remains of the view that the Going Concern SISP and the SISP Procedures (including the milestones described above) remain reasonable and appropriate in the circumstances, the whole in the best interests of all stakeholders.

#### **RECOGNITION PROCEEDINGS IN THE UNITED STATES**

35. As contemplated in the Pre-Filing Report, immediately following the issuance of the Initial Order, the Monitor filed a Petition seeking recognition of the CCAA Proceedings as foreign main proceedings under Chapter 15 of the US Bankruptcy Code (the “**Chapter 15 Proceedings**”).
36. On March 21, 2025, the Debtors obtained an order granting provisional relief pursuant to section 1519 of the US Bankruptcy Code. A recognition hearing has been scheduled by the United States Bankruptcy Court on April 15, 2025.
37. All documents related to the Chapter 15 Proceedings have been posted on the Monitor’s Website and the Monitor will continue to promptly update the Monitor’s Website to include all relevant documentation in respect of the Chapter 15 Proceedings.

#### **THE CASH FLOW RESULTS FOR THE WEEK ENDED MARCH 23, 2025**

38. Appendix B of the Pre-Filing Report set out the Debtors’ cash flow projections for the period ending March 30, 2025 (the “**Two-Week Period Cash Flow**”).
39. The Debtors’ actual cash flow for the week ended March 23, 2025, is compared to the Two-Week Period Cash Flow in the table attached hereto as **Appendix C**.
40. The Debtors’ closing cash balance as of March 23, 2025, was \$3,2 M, which constitutes a positive variance in the amount of \$2,8 M. The Monitor has the following comments regarding the key elements of the Debtors’ cash flow to March 23, 2025:
  - (a) Net receipts were \$1,5 M higher than projected. This positive variance is mainly due to the collection of certain receivables that were initially forecasted in the month of April and May.
  - (b) Net disbursements were approximately \$1,8 M lower than projected, primarily due to :
    - (i) Raw materials, overhead, distribution and sales, general & administration expenses are lower than originally anticipated (\$1,2 M). This positive variance is mainly due to timing;
    - (ii) CCAA professional fees (\$ 610 k), this positive variance is mainly due to timing.

- (c) DIP funding (\$2,1 M), this negative variance is mainly due to timing since the Interim Financing was executed on March 21, 2025 and the first draw was received on March 24, 2025.
- (d) Cash balance at beginning (\$1,6 M), this positive variance is permanent and related to the cash balance held at J.P. Morgan Bank.
- (e) As of the date of this Second Report, all post-filing expenses incurred by the Debtors have been or will be paid in the normal course of business out of the existing working capital of the Debtors.

#### CASH FLOW FORECAST FOR THE PERIOD ENDING ON APRIL 28, 2025

- 41. The Monitor, with the assistance of the management of the Debtors, has prepared the weekly cash flow forecast (the “**March CF Forecast**”) for the five-week period ending on April 28, 2025 (the “**Cash Flow Period**”) for the purpose of projecting Debtors’ estimated liquidity needs during the Cash Flow Period. A copy of the March CF Forecast is attached as **Appendix D** to this Second Report.
- 42. The March CF Forecast shows a net cash outflow of approximately \$8,3 M for the Cash Flow Period, as summarized below. The March CF Forecast excludes advances to be made under the Interim Financing, the purpose of which will be to fund the Debtors’ working capital needs and costs of the CCAA Proceedings:

\$CAD in thousands	Total
<b>Operating receipts</b>	<b>4,924</b>
<b>Disbursements</b>	
Raw materials	2,557
Other operating disbursements	4,111
Payroll	3,270
Professional fees	3,203
DIP interests and fees	104
<b>Total disbursements</b>	<b>13,245</b>
<b>Net cash variation</b>	<b>(8,321)</b>
<b>Cash balance at beginning</b>	3,178
Net cash variation	(8,321)
DIP funding	6,000
<b>Cash balance at end</b>	<b>857</b>

- 43. The Monitor’s review consisted of inquiries, analytical procedures and discussion related to information supplied by certain Management and employees of the Debtors. Since hypothetical assumptions need to be supported, the Monitor’s procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the March CF Forecast. The Monitor has also reviewed the support provided by Management for the probable assumptions, and the preparation and presentation of the March CF Forecast.

44. Based on its review, nothing has come to the attention of the Monitor that causes it to believe that, in all material respects:
- (a) The hypothetical assumptions are not consistent with the purpose of the March CF Forecast;
  - (b) As at the date of this Second Report, the probable assumptions developed by Management are not suitably supported and consistent with the plans of the Debtors or do not provide a reasonable basis for the March CF Forecast, given the hypothetical assumptions; or the March CF Forecast does not reflect the probable and hypothetical assumptions.
45. Since the March CF Forecast is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, the Monitor expresses no assurance as to whether the March CF Forecast will be achieved.
46. The March CF Forecast has been prepared solely for the purpose described in Note A on the face of the March CF Forecast and readers are cautioned that it may not be appropriate for other purposes.

#### **THE RELIEF SOUGHT BY THE APPLICANT IN THE PROPOSED ARIQ**

##### **A. The Increase of the Interim Financing and Interim Lender's Charge**

47. In accordance with the Initial Order, the Court authorized the Interim Financing in an amount not exceeding \$4.0 million.
48. On March 21, 2025, the Monitor issued a first drawdown request to the Interim Lender in respect of the Interim Financing, in an initial amount of \$2,100,000.
49. Given the proposed extended stay of proceedings until April 28, 2025, additional interim funding of \$2,800,000 is required, for a total of \$6,800,000.
50. The Interim Lender is prepared to provide the required additional interim financing to support and fund the restructuring proceedings as well as the Debtors' operations throughout the Going Concern SISP.
51. Based on the above and subject to the approval of this Court, the Applicant is seeking an increase to the Interim Lender Charge by an amount of \$3,360,000, for a total amount of up to \$8,160,000.
52. The Interim Financing annual interest rate will remain the same at 12% and a non-refundable commitment fee of \$80,000 will be charged.
53. The Monitor is supportive of the relief sought in relation to the Interim Financing and Interim Lender Charge, which are essential to the continuation of the Going Concern SISP and the restructuring of the Debtors' businesses.

##### **B. Reduction of the D&O Charge**

54. Since the issuance of the Initial Order, the Debtors' management, with the approval of the Monitor, have modified the payroll payment schedule for Pelican's employees (except for the employees currently working at the Valleyfield facility) from biweekly payments to weekly payments.



55. The Monitor understands that as and from the pay period ended March 22, 2025, Pelican's payroll will be paid weekly such that the aggregate outstanding wages (including accrued vacations thereon) at any given period is reduced to \$900,000.
56. In light of the foregoing, a corresponding reduction in the D&O Charge is necessary and appropriate in the circumstances. Consequently, the Applicant is requesting that the amount of the D&O Charge currently established at \$1,300,000 be reduced to \$900,000.
57. For the reasons stated above, the Monitor believes that the decrease of the quantum of the D&O Charge is reasonable and appropriate in the circumstances.

#### **C. The Request for an Extension of the Stay Period**

58. The Applicant is seeking an extension of the Stay Period, which currently expires on March 28, 2025, until April 28, 2025, inclusively.
59. The extension of the stay of proceedings until April 28, 2025, is necessary to further implement the restructuring strategy, as described in the Pre-Filing Report, which contemplates, *inter alia*:
  - (a) Maintaining the Debtors' going concern operations with the support of the Interim Lenders;
  - (b) the implementation of the Going Concern SISP with a view to maximizing the value of the Debtors' business and assets and, if possible, ensure the continuation of their operations.
60. The Debtors intend to continue to pay their trade creditors for services rendered and goods provided in the normal course of business during the CCAA Proceedings. The Debtors have acted and continue to act in good faith and with due diligence in these CCAA Proceedings and have collaborated with the Monitor since its appointment.
61. As described in this Second Report, the March CF Forecast indicates that, with access to the increased Interim Financing, the Debtors will have sufficient liquidity to continue to meet their obligations in the ordinary course of business.

#### **SUPPLIER ISSUES**

62. Since the issuance of the Initial Order, the Debtors and the Monitor have dealt with numerous issues involving various of the Debtors' suppliers arising as a result of the non-payment of pre-filing arrears. Although the vast majority have been resolved on a consensual basis with the release of the goods/supplies to the Debtors without payment of pre-filing arrears (the whole in compliance with the terms of the Initial Order), the Debtors and the Monitor require the Court's assistance with respect to a certain supplier.
63. Indeed, on March 20, 2025, one of the Debtors' freight forwarders, Overseas Express Consolidators (Canada) inc. ("OEC") informed the Monitor that they would be withholding the release of certain containers until payment in full of all pre-filing arrears.
64. Despite numerous good faith efforts to engage with OEC in the hopes of resolving the matter on a consensual basis, on March 26, 2025, the Monitor was informed that OEC's final position remained that no containers would be released until all pre-filing arrears had been paid.

65. The Monitor understands that OEC is asserting an alleged right of retention on said containers, notwithstanding that the Monitor has repeatedly confirmed that all amounts owing in respect of the services directly associated with the impugned containers, as well as all post-filing amounts would be paid in full. The Monitor understands that the pre-filing arrears do not relate to OEC's services in respect of the subject containers nor their contents.
66. More importantly, the Monitor understands that the goods contained in these containers are vital to the Debtors' operations and, if not delivered in short order, will materially impair the Debtors' short-term manufacturing capabilities.
67. Considering the expedited three (3) week Going Concern SISP, the Monitor is concerned that any negative impact on the Debtors' short-term manufacturing capabilities will negatively impact the going concern of the business and accordingly, the sales process, and in turn creditor recovery.
68. Consequently, the Monitor supports the Applicant's request for an order that OEC proceed to the immediate delivery of the impugned containers upon payment of all amounts relating directly thereto, the whole in the best interest of the restructuring and for the benefit of all stakeholders.

#### **ANCILLARY MATTERS**

69. Additionally, the Applicant is seeking to discharge the Proposal Trustee, and authorization to pay all outstanding invoices of the Proposal Trustee (both Pre-Filing and Post-Filing). The Monitor understands these invoices are for work provided in respect of, *inter alia*, the restructuring efforts and the sale and investment solicitation processes.
70. Finally, the Monitor would like to advise the Court that paragraph 116 of the Monitor's Pre-Filing Report should be read to indicate April 30, 2025, and not May 31, 2025 (as is currently drafted).

#### **CONCLUSIONS AND RECOMMENDATIONS**

71. In light of the foregoing, the Monitor is of the view that the relief sought by the Applicant as set forth in the Application is reasonable in the circumstances and that the Proposed ARIO should be granted by the Court.

The Monitor respectfully submits to the Court its Second Report.

DATED AT MONTREAL, this 27<sup>th</sup> day of March 2025

**FTI Consulting Canada Inc.**

In its capacity as Monitor of the Debtors



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Martin Franco, CPA, CIRP, LIT  
Senior Managing Director

## Appendix A

# Pelican International Inc. & GSI Outdoors Inc.

On March 19, 2025, Pelican International Inc., Pelican US Topco LLC and Confluence Outdoor Inc. (together “**Pelican**” or the “**Company**”), commenced proceedings under the Companies’ Creditors Arrangement Act (“**CCAA**”) with FTI Consulting Canada Inc. appointed as Monitor (the “**Monitor**”). A sale and investment solicitation process (“**SISP**”) to seek offers for the business, operations and assets of the Company is being undertaken by the Monitor with the assistance of its affiliate, FTI Capital Advisors – Canada ULC (together with the Monitor, “**FTI**”).

In parallel with the SISP, FTI has initiated a sale process on a cash-free, debt-free basis for the business, operations and assets of GSI Outdoors Inc. (“**GSI**”), a subsidiary of the Company; **GSI is not a party** to the CCAA proceedings.

## GSI Outdoors Inc.

**95%+**

Repeat buys since 2019

**800+**

Customers in FY2024

- GSI was acquired by Pelican in 2022 and has remained largely independent of the Pelican operations. **GSI is an industry leading designer and distributor of quality outdoor cooking and hydration products** based in Spokane, Washington.
- Founded in 1985, GSI is a premier outdoor lifestyle company known for its comprehensive range of drinkware, camp cookware, outdoor gear and accessories, seamlessly integrating the comforts of the home into every outdoor adventure.
- GSI has **long-standing relationships with the top retailers in North America**, including Walmart, Costco, Academy Sports and Amazon, and its products are sold in over 40 countries.
- For over 40 years, GSI has consistently grown its customer base and revenues, while maintaining lean operations and substantial profitability.
- GSI represents an exciting opportunity to acquire a **storied outdoor lifestyle business with a loyal customer following** and capitalize on growing consumer trends in outdoor activities.
- Interested parties will be asked to submit a **Phase 1 non-binding LOI by 5:00 p.m. (Eastern Time) May 5, 2025**, and definitive bids by Phase 2 Qualified Bidders are to be submitted by 5:00 p.m. (Eastern Time) June 23, 2025.

## Pelican International Inc. and Confluence Outdoor Inc.

- Founded in 1968, and headquartered in Laval, QC, Canada, Pelican International Inc. is a **global leader in nautical equipment and accessories**, committed to providing outdoor enthusiasts with a diverse range of superior quality products.
- In 2019, the Company **acquired Confluence Outdoor Inc.** to allow Pelican to **offer the most comprehensive assortment of paddle sports equipment in the industry**, including kayaks, pedal boats, paddle sport equipment, sleds and accessories.
- The Company operates **three (3) manufacturing facilities** in Laval, QC, Valleyfield, QC and Greenville, SC, as well as a distribution center located in Varennes, QC.
- Pelican has **sold over 6 million units** across the globe through its portfolio of **trusted and well-known brands**: Pelican, Wilderness Systems, Dagger, Perception, Advanced Elements and Boardworks.
- Pelican represents a unique opportunity to acquire a **well-established and scalable manufacturing operation in Canada and the U.S. with a strong base of Tier-1 customers**, including Academy Sports, Canadian Tire, Walmart, Amazon and Costco.
- Pursuant to an order made on March 19, 2025 (the “**SISP Order**”), the deadline for submission of binding offers is **5:00 p.m. (Eastern Time) April 10, 2025**, and the deadline for selection of final Successful Bid(s) is 5:00 p.m. (Eastern Time) on April 14, 2025. Further information on the proceedings and SISP are available on the Monitor’s website at <https://cfcanada.fticonsulting.com/Pelican/>.

**~\$115M CAD**

FY2026F Revenue

**~\$8.5M CAD**

FY2026F EBITDA

## Contact Information

A confidential information package and access to a virtual data room for the **Pelican and GSI** processes is available to interested parties that execute a non-disclosure agreement. All inquiries and any requests for additional information should be directed to one of the FTI contacts listed below:

<b>Martin Franco</b> Senior Managing Director 514.446.5132 martin.franco@fticonsulting.com	<b>Jamie Belcher</b> Senior Managing Director 647.205.3197 jamie.belcher@fticonsulting.com	<b>Patrick Fillion</b> Managing Director 514.446.5141 patrick.fillion@fticonsulting.com	<b>Patrick Kennedy</b> Senior Director 416.649.8080 patrick.kennedy@fticonsulting.com
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**Appendix B**  
**(under seal)**

## Appendix C

Pelican International Inc., Pelican US Topco LLC & Confluence Outdoor Inc. Budget to Actual	For the week ended March 23, 2025		
	Actual	Budget	Variance
<b>Receipts</b>			
Accounts receivable - opening balance	1,626	119	1,507
<b>Total receipts</b>	<b>1,626</b>	<b>119</b>	<b>1,507</b>
<b>Disbursements</b>			
Raw materials purchases - COD	2	736	734
Overhead - COD	3	232	229
Distribution expenses - COD	5	151	146
Sales, general & admin. expenses	8	122	114
CCAA professional fees	-	610	610
Other	19	-	(19)
Foreign exchange loss (gain)	4	-	(4)
<b>Total disbursements</b>	<b>42</b>	<b>1,851</b>	<b>1,809</b>
<b>Net cash variance</b>	<b>1,584</b>	<b>(1,732)</b>	<b>3,316</b>
DIP funding/(reimbursement)	-	2,100	(2,100)
Cash balance at beginning	1,594	-	1,594
<b>Cash balance at end</b>	<b>3,178</b>	<b>368</b>	<b>2,810</b>

## Appendix D

**Pelican International Inc. - Consolidated  
CCAA CFF  
in thousands of \$CAD**

<b>Week #</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	
<b>Week starting</b>	<b>Mar.24/ 25</b>	<b>Mar.31/ 25</b>	<b>Apr.7/ 25</b>	<b>Apr.14/ 25</b>	<b>Apr.21/ 25</b>	<b>Apr.28/ 25</b>	<b>5 weeks</b>
<b>Week ending</b>	<b>Mar.30/ 25</b>	<b>Apr.6/ 25</b>	<b>Apr.13/ 25</b>	<b>Apr.20/ 25</b>	<b>Apr.27/ 25</b>	<b>Apr.28/ 25 one day period</b>	<b>Total</b>
<i>Receipts</i>							
Accounts receivable - opening balance	448	385	1,229	1,594	926	86	4,668
Sales	-	-	43	43	43	127	256
<b>Total receipts</b>	<b>448</b>	<b>385</b>	<b>1,272</b>	<b>1,637</b>	<b>969</b>	<b>213</b>	<b>4,924</b>
<i>Disbursements</i>							
Raw materials purchases	374	422	783	542	436	-	2,557
Overhead	232	167	167	155	155	31	907
Distribution expenses	151	119	119	74	74	15	552
Sales, general & admin. expenses	313	659	91	91	91	18	1,263
Payroll	694	594	694	594	694	-	3,270
Commissions	-	-	-	-	13	2	15
Tariffs	-	-	30	30	30	85	175
Rent	-	1,199	-	-	-	-	1,199
Professional fees	942	527	314	659	761	-	3,203
DIP interests	-	4	-	-	-	-	4
DIP fee	20	80	-	-	-	-	100
<b>Total disbursements</b>	<b>2,726</b>	<b>3,771</b>	<b>2,198</b>	<b>2,145</b>	<b>2,254</b>	<b>151</b>	<b>13,245</b>
<b>Net cashflow</b>	<b>(2,278)</b>	<b>(3,386)</b>	<b>(926)</b>	<b>(508)</b>	<b>(1,285)</b>	<b>62</b>	<b>(8,321)</b>
DIP funding/(reimbursement)	2,100	1,000	1,000	1,000	900	-	6,000
Cash balance at beginning	3,178	3,000	614	688	1,180	795	3,178
<b>Cash balance at end</b>	<b>3,000</b>	<b>614</b>	<b>688</b>	<b>1,180</b>	<b>795</b>	<b>857</b>	<b>857</b>
<b>DIP financing balance</b>	<b>2,100</b>	<b>3,100</b>	<b>4,100</b>	<b>5,100</b>	<b>6,000</b>	<b>6,000</b>	<b>6,000</b>

## **APPENDIX D**

### **NOTE A – PURPOSE**

The purpose of these cash-flow projections is to determine the liquidity requirements of the Debtors during the CCAA proceedings.

### **NOTE B - GENERAL**

The March CF Forecast has been prepared by the Monitor with the support of the management using probable and hypothetical assumptions set out in the notes to the March CF Forecast.

The Monitor's review of the March CF Forecast consisted of inquiries, analytical procedures and discussions related to information supplied to it by Management. Since the hypothetical assumptions need not be supported, the Monitor's procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the March CF Forecast. The Monitor also reviewed the support provided by Management for the probable assumptions, and the preparation and presentation of the March CF Forecast.

### **NOTE C - DEFINITIONS**

#### **(1) CASH-FLOW FORECAST:**

In respect of a Company, means a statement indicating, on a weekly basis (or such other basis as is appropriate in the circumstances), the projected cash-flow of the Company as defined in section 2(1) of the Act based on Probable and Hypothetical Assumptions that reflect the Debtors planned course of action for the period covered.

#### **(2) HYPOTHETICAL ASSUMPTIONS:**

Means assumptions with respect to a set of economic conditions or courses of action that are not necessarily the most probable in the Debtors' judgment but are consistent with the purpose of the March CF Forecast.

#### **(3) PROBABLE ASSUMPTIONS:**

Means assumptions that:

- (i) The Debtors believes reflect the most probable set of economic conditions and planned courses of action, Suitably Supported that are consistent with the plans of the Debtors; and
- (ii) Provide a reasonable basis for the March CF Forecast.

#### **(4) SUITABLY SUPPORTED:**

Means that the Assumptions are based on either one or more of the following factors:

- (i) The past performance of the Debtors;
- (ii) The performance of other industry/market participants engaged in similar activities as the Debtors;
- (iii) Feasibility studies;
- (iv) Marketing studies; or
- (v) Any other reliable source of information that provides objective corroboration of the reasonableness of the Assumptions.

The extent of detailed information supporting each Assumption, and an assessment as to the reasonableness of each Assumption, will vary according to circumstances and will be influenced by factors such as the significance of the Assumption and the availability and quality of the supporting information.



**NOTE C – ASSUMPTIONS**

<b>Assumptions</b>	<b>Source</b>	<b>Probable Assumption</b>	<b>Hypothetical Assumption</b>
<b><u>Cash balance at beginning</u></b>	Based on current bank balances.	X	
<b><u>Forecast cash receipts</u></b>			
Sales receipts	Based on the latest forecasts available prepared by Management.		X
Accounts receivable beginning balance	Based on the accounts receivable ledger, discussions with clients and Debtors' historical collection days data.	X	
<b><u>Forecast cash disbursements</u></b>			
Raw materials purchases	Based on Management's knowledge of actual purchase orders and future orders that will be needed for the Debtors to maintain the going concern.		X
Overhead, distribution and SG&A	Based on Management's estimate of the operating costs of the facilities such as transportation, telecommunications, utilities, maintenance, and IT.		X
Payroll	Based on Debtors' historical payroll reports and on budgeted number of employees.	X	
Commissions	Based on Debtors' historical commission expenses.		X
Tariffs	Management's estimate of Pelican's sales to the US calculated based on potential tariffs of 25%.		X
Rent	Based on lease agreements.	X	
Professional fees	Monitor's estimate of professional fees to be incurred in the forecasted period for the monitor, the monitor's legal counsels, the SISP Advisor, the Debtors legal counsel and the Applicant' legal counsel. Please note that it also includes estimated accrued professional fees as at March 27, 2025 and also Proposal Trustee's fees .		X
DIP Interests	Based on the Interim Financing and forecasted draws.		X
DIP Fee	Based on the Interim Financing.	X	