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CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTREAL
COURT N^{O}:500-11-065405-256

S U P E R I O R C O U R T
Commercial Division

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

9541-1906 QUEBEC INC.
(FORMER PELICAN INTERNATIONAL INC.)

-and-

4624-4891, LLC
(FORMER PELICAN US TOPCO LLC)

-and-

9541-1906, INC.
(FORMER CONFLUENCE OUTDOOR INC.)

Debtors

-and-

FTI CONSULTING CANADA INC.

Monitor

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

INTRODUCTION AND PROCEDURAL HISTORY

1. On February 28, 2025, 9541-1906 Quebec Inc. (then known as 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 NOI Proceedings.

2. On March 18, 2025, National Bank of Canada ("**NBC**"), as administrative agent, collateral agent and hypothecary representative, 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 initial order declaring that Pelican, 4624-4891, LLC (then known as Pelican US Topco LLC) ("**Pelican Topco**") and 9541-1906 Inc. (then known as Confluence Outdoor Inc.) ("**Confluence**" and, together with Pelican and Pelican Topco, the "**Debtors**") are debtor companies subject to the CCAA, providing a stay of proceedings in respect of the Debtors, appointing FTI Consulting Canada Inc. ("**FTI**" or the "**Monitor**") as monitor to the Debtors as well as various other reliefs (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 these CCAA Proceedings. The purpose of the Pre-Filing Report was to provide the Court with information regarding the Debtors' financial situation and the relief sought by the Lenders as part of the Initial Application, and, more specifically, as part of the proposed initial order.

4. On March 19, 2025, the Court issued the order sought by 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; (ii) the appointment of FTI as monitor to the Debtors in the context of the CCAA Proceedings; (iii) the approval of an interim financing facility up to \$4,000,000 entered into between the Lenders (in such capacity, the "**Interim Lenders**"), and the Debtors, as borrowers (the "**Interim Financing**"), 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**") in the amount of \$1,300,000.

5. On March 19, 2025, the Court also issued a 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 with respect to the Pelican and Confluence business, the whole in accordance with the procedures annexed to the SISP Order.

6. On March 21, 2025, the United States Bankruptcy Court District of South Carolina (the "**US Court**") granted a provisional relief pursuant to section 1519 of the United States Bankruptcy Code (the "**Chapter 15 Proceedings**").

7. On March 28, 2025, the Court granted an *Amended and Restated Initial Order* ("**ARIO**"), which provides for, *inter alia* (i) a stay of proceedings against the Debtors, their properties and their directors and officers until April 28, 2025 (the "**Stay Period**"); (ii) the increase of the Interim Financing by an additional amount of \$2,800,000 for a total amount of \$6,800,000, to be secured by an Interim Lender's Charge of \$8,160,000; and (iii) the reduction of the D&O Charge to \$900,000.

8. On March 28, 2025, the Court also ordered Overseas Express Consolidators (Canada) Inc. ("**OEC**") to remit to the Debtors the goods withheld by OEC in exchange for the payment of the sums due in respect of the relevant containers. OEC was asserting an alleged right of retention over certain containers as a result of certain unpaid pre-filing arrears. Without prejudice to the parties' rights, the Court deferred the determination of any such retention right to a subsequent hearing to occur prior to a distribution to the Debtors' creditors.

9. On April 15, 2025, the US Court granted an order (i) recognizing the CCAA Proceedings as the foreign main proceeding; (ii) recognizing the foreign representative; (iii) recognizing the Initial Order, the ARIO and the SISP Order; and (iv) granting related relief.

10. On April 23, 2025, the Monitor filed an *Application for the Issuance of an Approval, Vesting and Assignment Order and Ancillary Relief* in respect of the Pelican and Confluence business.

11. On April 28, 2025, the Court issued an *Approval, Vesting and Assignment Order* in respect of the Pelican and Confluence business (the "**GM AVO**"), pursuant to the provisions of the CCAA, thereby approving an Asset Purchase Agreement dated April 23, 2025, between Pelican International Inc. and Confluence as vendors, 9539-5893 Quebec Inc., as purchaser, and Groupe Mach Acquisition Inc., as a guarantor of the purchaser (the "**Mach Transaction**").

12. That same date, the Court issued a stay extension order thereby extending the Stay Period until August 11, 2025.

13. On May 10, 2025, the Monitor served and filed with this Court the *Certificate of the Monitor* confirming the closing of the Mach Transaction.

14. On June 11, 2025, the GM AVO was recognized by the US Court in the context of Chapter 15 Proceedings.

15. On August 6, 2025, the Monitor filed an *Application for a Second Amended and Restated Initial Order and a Distribution Order* (the "**Second ARIO and Distribution Order**").

16. On August 11, 2025, the Court issued the Second ARIO and Distribution Order pursuant to the CCAA, which provided for, *inter alia*, the following relief:

    - the distribution, in priority to any payment to the Lenders, of approximately $110,000 to certain of the Debtors' employees in respect of priority amounts owing to them for unpaid vacation pay and bonuses accumulated in the six (6) month period preceding the filing of the NOI Proceedings, in accordance with section 36(7) of the CCAA;

    - the distribution of $35,500,000 from the proceeds of the Mach Transaction to NBC, in its capacity as administrative agent, in partial repayment of the amounts owing to the Lenders;

    - the withholding of $257,946 from the proceeds of the Mach Transaction in order to secure the alleged right asserted by OEC against the Debtors, including any alleged right of retention for pre or post filing debts (the "**OEC Reserve**");

    - authorizing the Monitor to retain the OEC Reserve *in trust* until a settlement is reached between the Debtors and OEC or until further order of the Court;

- terminating, discharging and releasing certain CCAA Charges (as defined in the ARIO);

- extending the Stay Period until November 30, 2025.

17. On November 25, 2025, the Court issued a Stay Extension Order, extending the Stay Period until December 19, 2025.

18. On December 12, 2025, the Court issued a Stay Extension Order, further extending the Stay Period until May 29, 2026 (the "**December Stay Extension Order**").

19. On April 22, 2026, the Court issued an Approval, Vesting and Distribution Order (the "**GSI AVO**"), approving the sale of Pelican Topco's 85% equity interest in GSI Outdoor LLC ("**GSI**") to GSI IDK Holdco, Inc., pursuant to the Unit Purchase Agreement dated April 8, 2026, (the "**GSI Transaction**").

20. On April 22, 2026, the Court issued a Stay Extension Order, further extending the Stay Period until August 28, 2026 (the "**April Stay Extension Order**").

21. This seventh report of the Monitor (the "**Seventh Report**") is submitted to the Court in support of the Monitor's *Application for the Issuance of a Stay Extension Order* (the "**Application**") thereby seeking an extension of the stay of proceedings until September 30, 2026.

22. The Seventh Report is divided as follows:

    - The Monitor's activities since the issuance of the Sixth Report;
    - The Debtors' cash flow results for the period ended August 21, 2026;
    - The Debtor's weekly cash flow projections for the period ending on October 4,2026
    - The extension of the Stay Period;
    - The Monitor's conclusions and recommendations on the relief sought.

23. The Seventh Report should be read in conjunction with the First, Second, Third, Fourth, Fifth, and Sixth Reports.

TERMS OF REFERENCE

24. In preparing this Seventh 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**").

25. Except as otherwise described in this Seventh 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 Seventh Report in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook.

26. The Monitor has prepared this Seventh Report solely for the purpose of providing the Court with information in relation to the relief sought by the Debtors, and this Seventh Report should not be relied upon for any other purpose.

27. Future oriented financial information reported in or relied upon in preparing this Seventh Report is based on assumptions regarding future events; actual results may vary from forecasts, and such variations may be material.

28. 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 previous reports, or in the Initial Application, in the ARIO, the Second ARIO applications, and the Application.

THE MONITOR'S ACTIVITIES SINCE THE ISSUANCE OF THE SIXTH REPORT

29. Since the last hearing, the Monitor posted a copy of the Sixth Report and the latest stay extension order on its Website.

30. The Monitor continued to regularly oversee the Debtors' receipts and disbursements.

31. The Monitor responded to inquiries from the Debtors' creditors and former employees regarding the restructuring process and the CCAA Proceedings.

32. On May 8, 2026, the Monitor sought and obtained recognition of the GSI AVO by the US Court in the context of the Debtors' Chapter 15 Proceedings.

33. On May 15, 2026, the Monitor closed the GSI Transaction and issued the Certificate of the Monitor.

34. On May 29, 2026, the Monitor distributed an amount of $17.5M to the Lenders in accordance with the GSI AVO.

35. The Monitor finalized the post-closing working capital adjustments process under the GSI Transaction and authorized the release to the Monitor of the $US500k holdback established in connection with the transaction.

36. The Monitor also held numerous discussions with its advisors and the Lenders regarding next steps and the orderly wind-down of the CCAA Proceedings.

THE DEBTORS' CASH FLOW RESULTS FOR THE PERIOD ENDED AUGUST 21, 2026

37. Appendix B of the Sixth Report set out the Debtors' cash flow projections for the period ending August 30, 2026 (the "**April CF Forecast**").

38. The Debtors' actual cash flow for the 19-week period ended August 21, 2026, is compared to the April CF Forecast in the table attached hereto as **Appendix A.**

39. The Debtors' closing cash balance as of August 21, 2026, was $4.3M, which constitutes a positive variance of $531K. The Monitor has the following comments regarding the key elements of the Debtors' cash flow to August 21, 2026:

(a) Net receipts were $16.1M higher than projected. This positive variance is mainly attributable to the receipt of the proceeds from the GSI Transaction.

(b) Net disbursements were approximately $17.0M higher than projected, primarily due to:

(i) Distribution to secured creditors was $17.5M higher than projected. This negative variance is mainly due to timing caused by the GSI transaction;

(ii) The remaining balance is mainly attributable to Professional fees, which were $394k lower than projected. This positive variance is mainly due to timing resulting from the delayed GSI transaction.

(c) As of the date of this Seventh Report, all post-filing expenses incurred by the Debtors have been or will be paid in the normal course of business out of the proceeds under the Monitor's control.

THE DEBTORS' WEEKLY CASH FLOW PROJECTIONS FOR THE PERIOD ENDING ON OCTOBER 4, 2026

40. To determine the Debtors' post-closing cash flow and ongoing financing requirements during these CCAA Proceedings, the Monitor prepared the weekly cash flow forecast (the "**August CF Forecast**") for the 6-week period ending on October 4, 2026 (the "**Cash Flow Period**"). The August CF Forecast reflects the fees and expenses related to the ongoing CCAA Proceedings including any potential post-closing matters in relation to the GSI Transaction. A copy of the August CF Forecast is attached as **Appendix B** to this Seventh Report.

41. All fees and expenses related to the CCAA Proceedings during the Cash Flow Period will be paid from the cash on hand, which is mainly composed of the undistributed proceeds collected from the Mach Transaction and the GSI Transaction.

42. The cash balance as at August 21, 2026, represents the aggregate cash held by the Monitor.

43. The August CF Forecast shows a net cash inflow of approximately $240k for the Cash Flow Period, as summarized below:

$CAD in thousands	Total
Receipts	**693.0**
Disbursements	
Professional fees	453.0
Employees priority claim	-
Distribution to secured creditors	-
Total disbursements	**453.0**
Net cash variation	**240.0**
Cash balance at beginning	4,278.9
Net cash variation	240.0
Cash balance at end	4,518.9

44. The Monitor's review consisted of inquiries, analytical procedures and discussion related to information supplied by certain former Management and employees of the Debtors and GSI. 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 August CF Forecast.

45. 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 August CF Forecast;

    (b) As at the date of this Seventh Report, the August CF Forecast does not reflect the probable and hypothetical assumptions.

46. Since the August 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 August CF Forecast will be achieved.

47. The August CF Forecast has been prepared solely for the purpose described in Note A on the face of the August CF Forecast and readers are cautioned that it may not be appropriate for other purposes.

EXTENSION OF THE STAY PERIOD

48. The Monitor is seeking to extend the Stay Period to September 30, 2026, which will provide additional time to, inter alia, establish and implement a plan for the orderly wind-down of the CCAA Proceedings as well as the Chapter 15 Proceedings, and, subject to Court approval, effectuate any final distributions to the Lenders.

49. Accordingly, the Monitor submits that the requested extension of the Stay Period up to and until September 30, 2026, is appropriate and necessary in these circumstances.

50. As previously noted, based on the August CF Forecast, the Monitor is of the view that the Debtors will have sufficient cash to meet their obligations during the extended Stay Period.

51. The Monitor has acted and continues to act in good faith and with diligence throughout the CCAA Proceedings, and the requested extension is appropriate in the circumstances.

52. In light of the foregoing, the Monitor respectfully submits that an extension of the Stay Period is justified in the circumstances and recommends that the Court grant an order extending the Stay Period until and including September 30, 2026, with the possibility of further extensions as the Court may deem appropriate.

THE MONITOR'S CONCLUSIONS AND RECOMMENDATIONS ON THE RELIEF SOUGHT

53. The Monitor is of the view that the relief sought in the Application is appropriate and necessary to allow the Monitor to pursue the restructuring initiatives for the benefit of all stakeholders.

DATED AT MONTREAL, this 21st day of August 2026

FTI Consulting Canada Inc.
In its capacity as Monitor of the Debtors

Martin Franco, CPA, CIRP, LIT	Patrick Fillion, CPA
Senior Managing Director	Managing Director

Appendix A

Pelican International Inc., Pelican US Topco LLC & Confluence Outdoor Inc. Budget to Actual in thousands of $CAD	For the 19-week period ended August 21, 2026 Actual $	 Budget $	 Variance $
Receipts			
Interest	18	13	5
Assets sales proceed	16,047	-	16,047
Deposit reimbursement	-	-	-
GST/QST Reimbursement	22	-	22
Other	-	-	-
Total receipts	**16,087**	**13**	**16,074**
Disbursements			
Professional fees	538	932	394
Professional fees - GSI	37	70	33
Employees priority claim	-	-	-
General administration	1	-	(1)
Bank Fees	2	-	(2)
Distribution to secured creditors	17,486	-	(17,486)
Foreign exchange loss (gain)	(50)	-	50
Total disbursements	**18,014**	**1,002**	**(17,012)**
Net cash variance	**(1,927)**	**(989)**	**(938)**
Cash balance at beginning	6,207	4,738	1,469
Cash balance at end	**4,280**	**3,749**	**531**

Appendix B

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

Week #	**1**	**2**	**3**	**4**	**5**	**6**	
Week starting	**Aug.24/ 26**	**Aug.31/ 26**	**Sep.7/ 26**	**Sep.14/ 26**	**Sep.21/ 26**	**Sep.28/ 26**	**6 weeks**
Week ending	**Aug.30/ 26**	**Sep.6/ 26**	**Sep.13/ 26**	**Sep.20/ 26**	**Sep.27/ 26**	**Oct.4/ 26**	**Total**
Receipts							
Interest	-	-	4.0	-	-	-	4.0
Net proceeds from sales of shares - GSI Outdoor	-	-	-	689.0	-	-	689.0
Total receipts	**-**	**-**	**4.0**	**689.0**	**-**	**-**	**693.0**
Disbursements							
Professional fees	-	131.0	53.0	7.0	92.0	170.0	453.0
Distribution to secured creditors	-	-	-	-	-	-	-
Total disbursements	**-**	**131.0**	**53.0**	**7.0**	**92.0**	**170.0**	**453.0**
Net cashflow	**-**	**(131.0)**	**(49.0)**	**682.0**	**(92.0)**	**(170.0)**	**240.0**
Cash balance at beginning	4,278.9	4,278.9	4,147.9	4,098.9	4,780.9	4,688.9	4,278.9
Cash balance at end	**4,278.9**	**4,147.9**	**4,098.9**	**4,780.9**	**4,688.9**	**4,518.9**	**4,518.9**

APPENDIX B

NOTE A – PURPOSE

The purpose of this cash-flow projection is to determine the liquidity requirements of the Debtors during the Stay Period.

NOTE B - GENERAL

The August CF Forecast has been prepared by the Monitor using probable and hypothetical assumptions set out in the notes to the August CF Forecast.

The Monitor's review of the August CF Forecast consisted of inquiries, analytical procedures and discussions related to information supplied. 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 August 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 bases 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 August CF Forecast.

(3) PROBABLE ASSUMPTIONS:
Means assumptions that:

- (i) The Debtors believe 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 August 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

Assumptions	Source	Probable Assumption	Hypothetical Assumption
Cash balance at beginning	Based on current bank balances.	X	
Forecast cash receipts			
Interest	Based on the latest interest rate and the forecasted reserve account balance.		X
Net proceeds from sales of shares – GSI Outdoor	Based on the Unit Purchase Agreement dated April 8, 2026	X	
Forecast cash disbursements			
Professional fees	Monitor's estimate of professional fees to be incurred during the forecasted period for the monitor, the monitor's legal counsels, the GSI SISP Advisor, and the Applicant's legal counsel.		X