



## Frequently Asked Questions

### **Why has Pelican International Inc ("Pelican") filed a Notice of Intention to Make a Proposal ("NOI") under *Bankruptcy and Insolvency Act* ("BIA")?**

- Like many businesses, we have faced challenges in the post-COVID economy, including rising costs, US tariffs, supply chain disruptions, and significant shifts in market demand;
- In the best interests of our employees, customers, suppliers and creditors, we have made the difficult but proactive decision to seek protection under the BIA;
- This step aims to ensure business continuity while developing and implementing a restructuring plan;
- This legal process has been initiated by Pelican. It is important to note that Pelican retains full control over its operations and daily affairs.

### **What is the BIA?**

- The BIA is a Canadian federal law that allows businesses to restructure their financial affairs;
- The BIA grants the company the time and stability needed to restructure.

### **Will you be filing a similar request for your U.S. subsidiaries?**

- At this stage, the U.S. subsidiaries are not subject to proceedings under the BIA. However, Pelican is evaluating the possibility of seeking protection for its U.S. subsidiaries in the coming days or weeks.

### **Is the company going bankrupt?**

- No. The company is not bankrupt, and this is not a closure;
- The BIA process will allow us to restructure and strengthen the company, providing the necessary time and space to implement important adjustments for the future.



### **Is the company planning to reduce its operations?**

- No. This process aims to strengthen and restructure the company, allowing us to ensure long-term competitiveness in the market.

### **How many positions will be eliminated as part of the restructuring process?**

- We will communicate any relevant updates directly with our employees.
- For our employees: Salaries will continue to be paid as usual, along with social benefits, insurance coverage, and vacations, which will be maintained and paid in accordance with our regular business operations.

### **When does the company expect to exit the process?**

- It is too early to determine a precise timeline;
- We are committed to keeping all stakeholders informed throughout this process.

### **Who can I contact for questions?**

- All inquiries should be directed to this email address:  
**[demandesmedia@pelicansport.com](mailto:demandesmedia@pelicansport.com)**