



**Deloitte Restructuring Inc.**  
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C A N A D A  
PROVINCE OF QUEBEC  
DISTRICT OF QUEBEC  
DIVISION No.: 01-Montréal  
COURT No.: 500-11-066268-257  
ESTATE No.: 41-3281314

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

**IN THE MATTER OF THE BANKRUPTCY OF: BENOY CANADA INC.,** a legal person duly incorporated under the Law, having its head office and principal place of business at 1100 avenue des Canadiens-de-Montréal, Suite 130 Montreal, Quebec, H3B 2S2

Bankrupt

– and –

**DELOITTE RESTRUCTURING INC.**  
(Benoit Clouatre, CPA, CIRP, LIT, designated responsible person) having its place of business at 1190 avenue des Canadiens-de-Montréal, Suite 500, Montreal, Quebec, H3B 0M7

Trustee

### **TRUSTEE'S PRELIMINARY REPORT TO CREDITORS**

1. The *Bankruptcy and Insolvency Act*, a federal act in Canada (the "**BIA**"), provides for a first meeting of creditors to discuss the creditors' collective interest in the administration of the Bankrupt's estate.
2. Unless otherwise stated, all the amount included in this trustee's preliminary report to creditors are presented in Canadian dollars.

#### **A) Background**

3. Benoy Canada Inc. ("**Benoy**") is a legal person, which was incorporated by articles of incorporation under the *QUÉBEC: Loi sur les compagnies partie 1A, RLRQ, C. C-38*, on July 15, 2022.
4. Its head office was located at 1100 av. des Canadiens-de-Montréal, Suite 130, Montreal, Quebec, H3B 2S2, Canada.
5. Until recently, Benoy was a design company specializing in architecture, master planning, interior design, branded environments, and landscape.

6. Benoy is solely owned by Benoy Limited, which is also the main unsecured creditor.

#### Financial Statements

7. For reference, below is Benoy's income statement for the years ended December 31, 2022, December 31, 2023, December 31, 2024, and for the year-to-date period ended September 25, 2025. Benoy's balance sheets, as at the same dates, are also presented:

<b>Benoy Canada Inc. Income Statement - In Canadian \$ Unaudited</b>	<b>Sept 25, 2025 Draft<sup>1</sup></b>	<b>Dec 31, 2024 Draft<sup>1</sup></b>	<b>Dec 31, 2023 Draft<sup>1</sup></b>	<b>Dec 31, 2022 Draft<sup>1</sup></b>
Revenue	1,257,194	4,124,197	4,028,180	1,258,785
Cost of goods sold	1,142,605	3,098,096	2,969,460	1,176,477
<b>Gross margin</b>	<b>114,589</b>	<b>1,026,101</b>	<b>1,058,720</b>	<b>82,308</b>
Selling, general and admin. expenses	1,823,850	2,758,417	3,365,459	508,672
<b>Income (loss) from operations</b>	<b>(1,709,261)</b>	<b>(1,732,316)</b>	<b>(2,306,739)</b>	<b>(426,364)</b>
Other income (expense)	(123,668)	(145,623)	(295,074)	(28,174)
<b>Net income (loss)</b>	<b>(1,832,928)</b>	<b>(1,877,939)</b>	<b>(2,601,814)</b>	<b>(454,538)</b>

<b>Benoy Canada Inc. Balance Sheet - In Canadian \$ Unaudited</b>	<b>Sept 25, 2025 Draft<sup>1</sup></b>	<b>Dec 31, 2024 Draft<sup>1</sup></b>	<b>Dec 31, 2023 Draft<sup>1</sup></b>	<b>Dec 31, 2022 Draft<sup>1</sup></b>
<b>Assets</b>				
Short-Term Assets	368,619	1,525,645	1,966,953	608,793
Long-Term Assets	487,524	614,385	645,404	(24,946)
	<b>856,143</b>	<b>2,140,030</b>	<b>2,612,356</b>	<b>583,847</b>
<b>Liabilities</b>				
Short-Term Liabilities	232,169	170,225	523,909	-
Long-Term Liabilities	5,784,424	5,297,326	3,538,030	1,038,386
	<b>6,016,593</b>	<b>5,467,551</b>	<b>4,061,939</b>	<b>1,038,386</b>
<b>Shareholder's Equity</b>				
Share Capital	1,810,240	1,810,240	1,810,240	-
Retained Earnings (loss)	(6,995,690)	(5,162,761)	(3,284,823)	(454,539)
Other Comprehensive Income (loss)	25,000	25,000	25,000	-
	<b>(5,160,450)</b>	<b>(3,327,521)</b>	<b>(1,449,583)</b>	<b>(454,539)</b>
	<b>856,143</b>	<b>2,140,030</b>	<b>2,612,356</b>	<b>583,847</b>

**Note 1 :** Per Benoy Canada inc's books and records

#### Causes of insolvency

8. As shown in the financial statements above, Benoy has accumulated deficits over the years. The company incurred net losses of approximately \$0.5M, \$2.6M, \$1.9M, and \$1.8M for the years ended December 31, 2022, December 31, 2023, December 31, 2024, and for the nine-month period ended September 25, 2025, respectively. As of September 25, 2025, the total accumulated deficit was approximately \$7.0M.
9. Over the years, deficits were funded by raising additional debt from Benoy Limited and other Benoy entities. On a balance sheet perspective, Benoy's total liabilities amounted to approximately \$6.0M as of September 25, 2025, while its assets totaled approximately \$0.9M.

10. The operating losses were explained by a lack of projects over the last years who did not allow Benoy to generate the required level of revenue to cover the expenses.
11. In August 2025, due to the accumulated losses and the company's financial performance since the start of the 2025 fiscal year, it became evident to the shareholder that Benoy was unlikely to achieve future profitability, and that additional funding would be necessary for the company to continue its operations.
12. In light of the above, a decision was made on September 9, 2025, to terminate the employment of all nineteen (19) Benoy employees.
13. On October 3, 2025, Benoy filed for bankruptcy, and Deloitte Restructuring Inc. was appointed as trustee of the estate of the Bankrupt (the "**Trustee**").

**B) Trustee's preliminary evaluation of assets and liabilities**

14. Below is a summary of the Statement of Affairs as of October 3, 2025, which includes the estimated net realization value of Benoy's assets as well as the estimated deficit following the distribution of the estimated proceeds from the liquidation to the secured creditors:

<b>Benoy Canada Inc. Statement of Affairs - In Canadian \$ As at October 3, 2025</b>	<b>Estimated Realization Value<sup>1</sup></b>
<b>Assets</b>	
Cash	12,213
Account Receivables	95,866
Fixed Assets	12,858
<b>Total Assets</b>	<b>120,937</b>
<b>Liabilities</b>	
Unsecured Creditors <sup>2</sup>	5,839,773
<b>Total Liabilities</b>	<b>5,839,773</b>
<b>Deficit</b>	<b>(5,718,836)</b>

**Note 1**

*Estimated realization value before any costs related to the liquidation of the assets and to the administration of the bankrupt estate.*

**Note 2**

*Amounts owed to creditors were established with the financial information provided by Benoy at the date of the bankruptcy. Unsecured creditors will have the onus to prove their claims and only the claims that are proven will constitute valid claims and will receive a distribution if funds are available.*

15. The estimated values attributed to the various assets of Benoy in the Statement of Affairs are discussed below:
  - a) Cash: The net realization value of the cash balance is based on the cash balance received by the Trustee at the time of the bankruptcy.

- b) Account receivables: The net realization value of the inventory was estimated based on the Trustee's knowledge of the list of clients.
- c) Fixed assets: Benoy's fixed assets mainly consist of leasehold improvements and IT equipment. The net realization value of the fixed assets is mainly based on the Trustee's knowledge from other bankruptcy files.

**C) Description of the unsecured creditors**

16. The unsecured creditors are essentially composed of other Benoy entities and suppliers. As of the date of the bankruptcy, an amount of \$5.8M is owed to approximately 13 suppliers.

**D) Conservatory and protective measures**

17. Since October 3, 2025, the Trustee implemented the following conservatory and protective measures:
- a) Opening of trust bank accounts at the National Bank of Canada;
  - b) Freezing of Benoy's bank accounts and requesting the transfer of the cash balance to the Trustee's trust bank account;
  - c) Deactivate the office access cards of all former employees;
  - d) Taking possession and securing all of Benoy's tangible assets (i.e. mainly office and IT equipment);
  - e) Obtaining a copy of the hardware of Benoy;
  - f) Publication of a notice to creditors in the *Le Devoir*; and,
  - g) Communication to all known creditors of Benoy to inform them of the notice of bankruptcy and the date and time of the first meeting of creditors.

**E) Information relating to provable claims**

18. As of the time of the preparation of this report, considering the low number of creditors, the Trustee believes there will not be a significant difference between the number of claims declared by Benoy and the number of claims proven by the various creditors.

**F) Projected distribution and Trustee's comments on anticipated asset realization**

19. As illustrated in the Statement of Affairs (summarized above), based on the information received from Management and considering there is no secured creditors, the proceeds that will be realized from the liquidation of all of Benoy's assets will not be sufficient to fully reimburse the unsecured creditors.
20. Before concluding on the realization proceeds to be distributed to unsecured creditors, the Trustee will obtain more precise estimates of the liquidation value of all of Benoy's assets as well as professional fees and the conservatory and protective measures related costs. The results will be communicated to the inspectors who will be appointed at the meeting of creditors.

**G) Pre-bankruptcy transaction**

21. Prior to the termination of all employees, Benoy received a transfer from its shareholder Benoy Limited in order to cover the vacations owed to employees as well as their severances.

**H) Other matters**

22. In consideration of the Trustee's agreement to act as trustee in the estate of Benoy, Benoy Limited deposited an amount of \$50,000 with the Trustee. This amount is third-party funding and did not, directly or indirectly, in whole or in part, come from assets that would otherwise be estate assets. The primary responsibility for the payment of the Trustee's fees and disbursements lies with the estate and the deposit is only an accessory covering any unpaid portion of the primary obligation.

DATED AT MONTREAL, Quebec, this 20<sup>th</sup> day of October 2025.

**DELOITTE RESTRUCTURING INC.**

In its capacity as Trustee of the Estate of  
Benoy Canada Inc.  
and not in its personal capacity

Per:



Benoit Clouâtre, CPA, CIRP, LIT  
Senior Vice-President