

Deloitte.



NO. S-253695
VANCOUVER REGISTRY

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

THE TORONTO-DOMINION BANK

PETITIONER

AND:

TITANIUM AUTOGROUP LTD.

RESPONDENT

**FIRST REPORT OF THE COURT APPOINTED RECEIVER
OF TITANIUM AUTOGROUP LTD.**

DATED JULY 16, 2025

PREPARED BY DELOITTE RESTRUCTURING INC.

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INTRODUCTION

1. Pursuant to an Order (the "**Interim Receivership Order**") of the Supreme Court of British Columbia (the "**Court**") dated May 14, 2025 (the "**Date of the Interim Receivership**"), Deloitte Restructuring Inc. ("**Deloitte**") was appointed as interim receiver (in such capacity, the "**Interim Receiver**") without security, of all of the assets, undertakings and property of Titanium Autogroup Ltd. (the "**Company**" or "**Titanium**"), including all proceeds, but excluding certain BNS Priority Collateral as defined in the Interim Receivership Order (the "**Property**").
2. TD holds a registered security interest in all of the Company's present and after-acquired personal property pursuant to general security agreements related to several TD credit facilities (the "**TD Security**") which may be subject to certain other competing security interests (as further outlined in this report).
3. On June 4, 2025 the Interim Receiver issued its first and final report (the "**Interim Receiver's Report**"). The Interim Receiver's Report was filed to, among other things, provide the Court with an overview of the Company's business and pertinent background information, report on the Interim Receiver's activities, report on the Interim Receiver's statement of receipts and disbursements, and to support the Court application scheduled for June 10, 2025 for an order approving the appointment of the Interim Receiver as the Receiver of Titanium.
4. On June 10, 2025 (the "**Date of Receivership**"), the Court issued an Order (the "**Receivership Order**") converting Deloitte's appointment from Interim Receiver to Receiver of the Property (in such capacity, the "**Receiver**"). The Court proceedings in which Deloitte has been appointed as Receiver are referred to as the "**Receivership Proceedings**".
5. This is the first report of the Receiver (the "**Receiver's First Report**" or "**this Report**").
6. The Interim Receivership Order, Receivership Order, Interim Receiver's Report and other materials relating to the Receivership Proceedings have been posted on the Receiver's website at www.insolvencies.deloitte.ca/Titanium (the "**Receiver's Website**"). This Report will be posted to the Receiver's Website after it has been filed with the Court, along with other related documents.
7. In addition to this Report, the Receiver has prepared a confidential supplement to the Receiver's First Report dated July 16, 2025 (the "**First Confidential Report**") which the Receiver is seeking to be sealed in the Court file.
8. Unless otherwise provided, all other capitalized terms not defined in this Report are as defined in the Interim Receiver's Report, Interim Receivership Order, or Receivership Order.

Purpose of the First Report

9. The purpose of this First Report is to:
 - a. Report on the Receiver's activities since the Date of Receivership.
 - b. Report on the Receiver's statement of receipts and disbursements from the Date of the Interim Receivership to July 8, 2025 (the "**Receiver's R&D**"), a copy of which is attached hereto as **Appendix "C"**.
 - c. Report on the sales activities undertaken by the Receiver to realize on the Company's assets.
 - d. Provide an overview of the salient terms of the asset purchase agreement between the Receiver and Vancouver Auto Liquidation Center Ltd. ("**VA**") dated July 16, 2025 (the "**VA Agreement**") that is being presented to the Court for approval.

- e. To support the Receiver's application for the following orders:
 - i. Approving the Interim Receiver's and Receiver's activities since the Date of the Interim Receivership as described in the Interim Receiver's Report and in this Report.
 - ii. Authorizing the Receiver to complete the transaction pursuant to the VA Agreement (the "**VA Transaction**") and carrying out all steps necessary to do so.
 - iii. Sealing the Confidential Report until the closing of the VA Transaction, unless otherwise ordered by the Court (the "**Sealing Order**").
- 10. The purpose of the First Confidential Report is to provide the Court with further details related to the VA Agreement, including the VA Transaction value and other offers from interested parties, and to provide the Court with further information related to the estimated values of the vehicle inventory.

Terms of reference

- 11. In preparing this Report, the Receiver has relied upon unaudited financial and other information prepared by the Company's accountants, the Company's books and records, and discussions with the officers of the Company (the "**Officers**").
- 12. The Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the *Chartered Professional Accountants Canada Handbook* and, accordingly, the Interim Receiver expresses no opinion or other form of assurance in respect of this information.
- 13. All dollar amounts in this Report are in Canadian dollars, unless otherwise indicated.

BACKGROUND

- 14. Titanium was a used car dealership based in Langley, British Columbia ("**BC**") specializing in selling premium pre-owned vehicles, including cars, trucks, sport utility vehicles and minivans mainly in Western Canada and in Washington State in the United States of America ("**US**"). Additional details on the Company and its related operations, locations, employees, and financial difficulties were described in the Interim Receiver's Report and are not repeated herein.

Books and records

- 15. As outlined in the Interim Receiver's Report, the Company has both hard copy and electronic books and records. The Receiver has performed a preliminary review of the 200 boxes of available hard copy records which primarily include vehicle sales files, direct deposit documents, and accounts payable records from 2018, along with limited tax information. The Officers have also been providing copies of certain important and more recent books and records and financial information in the interim (as further outlined below).
- 16. The Receiver is attempting to access Titanium's electronic records that are maintained in dealer specific software provided by CDK Global Inc. ("**CDK**"). The Receiver has been in recent contact with CDK and expects to be provided access to the CDK system in due course. It is not clear how current or useful the Company information will be in the CDK system.
- 17. Based on the Receiver's review of the Company's books and records provided to date, they do not appear to be current or complete. In addition, the Receiver understands that the records have not been updated to reflect all of the transactions that occurred up to and after the time

when the Company's operations were terminated. The Company has employed multiple bookkeepers and used several different accounting software packages over the past several years which has resulted in knowledge and data transfer issues and what appear to be unreliable financial records.

18. The Officers have assisted the Receiver with locating and returning vehicles and providing certain lease agreements, insurance documents, financial information, dealer plates, vehicle keys, vehicle registration documents, and vehicle sale and purchase documents. Some information has been slow to be produced due to access issues and poor record keeping. The Receiver is still waiting for various information from the Officers including, but not limited to, further support for vehicles not yet accounted for and information relating to statutory claims and other liabilities.

POWERS OF RECEIVER

19. The Receiver's powers are detailed in paragraph 3 of the Receivership Order which empower and authorize, but do not obligate, the Receiver to, among things, take possession of and exercise control over the Property and all related receipts and disbursements and to market and sell the vehicles (subject to Court approval if any single transaction exceeds \$150,000 or if the aggregate of transactions exceeds \$1,000,000).
20. Pursuant to the Receivership Order, the Receiver is authorized and empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time. The Receiver does not anticipate the need to borrow any funds as a result of the cash received since the Date of the Interim Receivership as outlined in the Receiver's R&D.

ACTIONS OF THE RECEIVER

21. The Receiver has taken the following steps with respect to the assets and operations of the Company since the Date of Receivership:
 - a. Contacted the Canada Revenue Agency ("**CRA**") to provide authorization for the Receiver to access the Company's payroll and goods and services tax ("**GST**") accounts.
 - b. Arranged to have Accurate Effective Bailiffs Ltd. ("**AE Bailiffs**") assist with securing vehicles owned by the Company that were in the possession of several third parties.
 - c. Met and corresponded with the Officers to obtain information on the operations and assets, and to request financial and other information;
 - d. Posted documents related to the Receivership Proceedings to the Receiver's Website;
 - e. Liaised with various stakeholders relating to the Receivership Proceedings;
 - f. Reviewed sale agreements provided by the Officers and reconciled the agreements to the vehicle inventory listings;
 - g. Reconciled payments made by Titanium and other parties to certain vendors to the latest Company accounts payable listings;
 - h. Reviewed and analyzed the historic TD and Bank of Montreal ("**BMO**") bank statements for February 2025 to May 2025, as further detailed later herein;

- i. Reviewed supporting documents and information provided for unreconciled vehicles, as detailed in the Interim Receiver's Report;
- j. Completed a net realizable value analysis of the TD Security (the "**TD Security NRV Analysis**");
- k. Reviewed various Company vehicle information provided by TD and others, including the vehicle inventory listing compiled by TD (the "**TD Audit List**") from the last TD floor plan audit conducted on April 16, 2025 (the "**Last TD Audit**");
- l. Carried out activities to identify, collect and transfer vehicle inventory and seek offers from potential interested parties, as further detailed herein;
- m. Held discussions with and provided various updates to TD and their legal counsel;
- n. Discussed certain legal matters with the Receiver's independent legal counsel, Owen Bird Law Corporation ("**Owen Bird**"); and
- o. Prepared this Report.

ASSETS OF THE COMPANY

- 22. The assets of the Company were described in detail in the Interim Receiver's Report and any realization updates are included below.

Bank accounts

- 23. The Interim Receiver collected approximately \$370,000 from the Company's bank account held with BMO (the "**BMO Funds**"). No further funds have been deposited into the BMO account and sent to the Receiver since the Date of Receivership. The BMO account has been frozen and can only accept deposits and the Receiver will continue to follow up with BMO to confirm if any more funds are deposited into the account.
- 24. The Receiver completed a further review of the transactions in the TD and BMO accounts for the period from February 1, 2025 to the Date of the Interim Receivership (the "**Bank Statement Review**") to assist in the reconciliation of the vehicle inventory and to understand what payments were received and made by the Company leading up to its closure. The Receiver has received electronic banking records from BMO to assist in the Bank Statement Review and will determine next steps when the analysis is complete and access is gained to the CDK data.

Accounts receivable

- 25. The Interim Receiver reported accounts receivable ("**AR**") collections of almost \$600,000 (net of GST) to May 30, 2025 and an additional \$53,000 in AR receipts have been collected to June 25, 2025. The Receiver is expecting additional AR collections of approximately \$256,000 (net of GST) and continues to reconcile the vehicles included in the TD Audit List and from other sources (including those vehicles still registered in the name of Titanium in the BC personal property registry ("**BCPPR**")) to determine what additional potential vehicles remain unsold or unpaid and what, if any, additional AR may exist.
- 26. There have been no collections of the \$2.3 million in AR recorded in the Company's records as of February 28, 2025 that was due from related companies, the details of which were included in the Interim Receiver's Report. The Receiver is following up on the payment demands to these parties and collections of any of these AR amounts may involve complexities due to some amounts already being paid, a lack of supporting documents, and/or some accounts requiring adjustments, updates, or reconciliations due to the previous accounting staff

turnover. The Receiver is continuing to investigate these amounts and is waiting to obtain additional information from the books and records and the Officers.

Prepaid Expenses

27. The Receiver cancelled the Company's dealer insurance coverage with the Insurance Company of British Columbia ("**ICBC**") and received a refund of approximately \$1,100 after the remaining financing payments and charges were offset. The Receiver may also receive a refund in respect of the Company's other insurance coverage that has been cancelled and replaced but this will not be significant and no other recoveries are expected from prepaid expenses.

Capital assets

28. The Receiver does not expect to realize any funds from the Company's remaining office equipment and furniture, the value of which is less than the cost of removal.

Investments

29. The Receiver is still waiting for information to support the \$93,000 of investments recorded in the Company's February 28, 2025 financial statements. It remains unclear if these investments exist and if they have any realizable value.

Vehicle inventory

30. As outlined in the Interim Receiver's Report, a master vehicle inventory listing (the "**Master Inventory Listing**") was compiled by the Interim Receiver from several sources, including, among others, the TD Audit List, a physical inventory, insurance information, and the BCPPR.
31. The Receiver has continued to refine and update the Master Inventory Listing as it continues to receive new information and reconcile, locate, collect and/or consolidate additional vehicles at the current storage location.

Canadian vehicle inventory

The Receiver has currently accounted for 164 vehicles in Canada, of which 158 are in the Receiver's possession in the storage location. For the six vehicles not in the Receiver's possession, two are held with Openlane Inc. ("**Openlane**") to be auctioned, two are in the possession of AE Bailiffs to be delivered to the Receiver, one is with VA to be delivered to the Receiver, and one is with a third party and is in the process of being retrieved (the "**Canadian Vehicles**"). One vehicle initially believed to be owned by the other tenant at the storage property was subsequently confirmed to be owned by Titanium and this vehicle has been excluded from the VA transaction and will be dealt with separately as with the other six vehicles.

32. The Receiver was provided with sales and other information for 34 of the 49 Unaccounted For Canadian Vehicles (as defined and discussed in the Interim Receiver's Report) and is working with the Officers to obtain the remaining information. Most of these vehicles appear to have been sold and the Receiver is attempting to reconcile the customer payments to the Company's books and records and/or the Bank Statement Analysis to determine if any AR remain. The Receiver will also determine whether access to the CDK system, if obtained, would assist with the reconciliation process, given that the sales deposits for individual vehicles are consolidated in the banking records and may be subject to various adjustments compared to the sales records.
33. The Receiver is also attempting to account for the vehicles that are not in its possession that currently have registered charges against them in the name of Titanium in the BCPPR. In addition, the Receiver is also trying to account for vehicles that are not under its control that are showing as being owned by Titanium in the ICBC vehicle registry. The Receiver has been in

discussions with ICBC on the requirements to obtain this information and is making a formal request.

34. The Receiver has compiled black-book retail and wholesale values for the Canadian Vehicles along with estimates of values from other sources where black-book values or vehicle details are not available. The estimated values of the Canadian Vehicles are included in the First Confidential Report.

US vehicle inventory

35. The Receiver has currently accounted for 24 vehicles in the United States which are owned by Titanium and are currently being stored in a secure yard operated by Automotive Services Company ("**ASC**") in Washington State on behalf of Titanium (the "**US Vehicles**"). The Receiver has attended at the location to physically verify the US Vehicles and their condition.
36. The Receiver understands that the US Vehicles were intended to be sold by auction through GB Auctions ("**GB**") but are being held by ASC, the registered importer, due to a delay in paperwork or outstanding repairs. Further, the Receiver understands that 14 of the US Vehicles have outstanding manufacturer safety or mechanical related recalls which are required to be fixed before the vehicles are allowed to be sold in the US.
37. The Receiver has received supporting documents from GB for the 55 Unaccounted For US Vehicles (as defined and discussed in the Interim Receiver's Report). GB has reported that 51 of these vehicles were sold and the related proceeds were forwarded to Titanium, after the payment of any sale related costs owed to GB and any floor plan financing provided by GB on the vehicles. The Receiver is still attempting to confirm the receipts of these funds from GB. GB also indicated that the remaining four vehicles were sold by GB and the net proceeds were used to partially offset funds owed to GB from Titanium.
38. GB's counsel has indicated that GB is currently owed approximately US \$235,000 by Titanium and that GB apparently has a perfected security interest against the US Vehicles, which are also subject to TD's Security. The Receiver is waiting for additional documents from GB to support the amount owed to them along with their potential secured interest in the US Vehicles. Owen Bird has requested from GB's counsel written confirmation that it claims priority over TD in connection with the US Vehicles and, if so, the basis for its position. Once received it is anticipated that independent US legal counsel may need to review GB's security and opine on any potential competing security interests. GB's legal counsel has expressed willingness to allow the US Vehicles to be sold in the meantime, with any right to the sale proceeds to be determined in due course.
39. GB has provided the Receiver with an estimate of the auction values for the US Vehicles based on the make, model, year and mileage. The estimated values of the US Vehicles are included in the First Confidential Report.

CREDITORS

CRA priority claims

40. The Interim Receiver previously requested access to the Company's online accounts with CRA in relation to BC provincial sales tax ("**PST**") and GST. It is understood from the Officers that no amounts are in arrears with CRA. The Receiver will verify whether the CRA accounts are current and if there are any pending or outstanding audits or assessments after gaining online CRA access to Titanium's accounts and reviewing the Company's available books and records.
41. The Receiver was provided with a statement of account for PST from counsel for the Province of BC (the "**Province**") indicating an amount of approximately \$23,000 owing by the Company as at March 31, 2025, relating solely to late filing penalties. In addition, the Province has

imputed approximately \$400,000 in PST liabilities for April and May 2025, based on historical activity, as no returns were allegedly filed by the Company for those months. The Receiver needs to confirm if the returns were in fact filed and, if not, will need to assess the validity and accuracy of the imputed amounts.

TD indebtedness

42. As noted above, TD is the primary secured creditor of the Company and the TD Debt totaled approximately \$11.6 million as at May 12, 2025 and interest continues to accrue. Owen Bird has conducted an independent review of the TD Security and determined it to be valid and enforceable subject to the stated assumptions and qualifications.
43. Based on the TD Security NRV Analysis completed by the Receiver, TD is expected to incur a significant shortfall on the TD Debt.

Other secured creditors

44. As outlined in the Interim Receiver's Report, there are several other potential secured creditors of the Company which include the Bank of Nova Scotia ("**BNS**") who has registered a security interest in the BCPPR against Titanium's right, title and interest in, to and under the accounts and chattel paper assigned by Titanium to BNS. Pursuant to a priority agreement dated December 13, 2022, BNS's security interest in certain specifically identified property takes precedence over TD's security interest in that particular property. However, TD's security interest retains priority over BNS's security interest with respect to all other property of Titanium. The Receiver needs to complete a review of the BNS security to verify any claim to a security interest.
45. In addition, Tricor Lease & Finance Corp., Meridian Onecap Credit Corp., and GB have registered financing statements against Titanium in the BCPPR. Phi Estate Trust has registered a financing statement against Titanium in the Washington State Uniform Commercial Code.
46. The Receiver is not aware of the amounts owed to these other secured creditors and a review is required of the security in place to determine the priority for any distributions from the Property realizations.

Unsecured creditors

47. The Receiver understands from the Officers that Titanium has a minimal amount of unsecured debt and this will be reviewed when the Receiver gains further access to the Company's books and records.

RECEIVER'S SALE ACTIVITIES

48. The Receiver has either been contacted by or has reached out to multiple parties concerning the potential sale of the Canadian Vehicles. These parties include other used car dealerships, car wholesalers, online and on-site auction companies, former customers, and potential interested parties identified by the Officers and TD. Each potential interested party has been provided with a detailed listing of the Canadian Vehicles, along with access to the vehicles to inspect them, if requested.
49. The Receiver understands that the primary challenge with the Canadian Vehicles is that there are few parties, aside from auction companies and large-scale wholesalers, capable of handling a high volume of pre-owned vehicles with varying ages, models, mechanical, and other conditions. Additionally, some interested parties have indicated they would only be willing to take the vehicles on consignment, paying for them as they are sold or taking a commission on the sale proceeds.

50. The Receiver understands that the challenge with the US Vehicles is that they have remained in the United States beyond the permitted time frame without being sold. As a result, they must now be returned to Canada and new documentation will be required before they can be re-exported to the US. Additionally, and as previously noted, some of the vehicles require repairs, and 14 of them have outstanding manufacturer safety or mechanical recalls that must be addressed before they can be sold in the US. Due to these challenges, the Receiver has not actively sought offers for the US Vehicles, although an offer was received from VA.

Proposals and offers received

51. A summary of the parties contacted and any related proposals or offers are included in the First Confidential Report.
52. Based on the proposals and offers received and discussions with TD, the Receiver has determined that an en-bloc sale of the Canadian Vehicles only makes sense through an auction with Openlane pursuant to the Openlane Proposal (as defined later herein) or to VA pursuant to the VA Agreement. These two transactions are summarized below.

Openlane Proposal

53. Openlane submitted an initial auction proposal on May 21, 2025 and then provided an updated proposal on June 3, 2025 (the "**Openlane Proposal**"), a redacted version of which is attached hereto as **Appendix "A"**. An unredacted version of the Openlane Proposal is attached as Appendix "A" to the First Confidential Report. The key non-confidential terms and conditions of the Openlane Proposal are summarized as follows:
- a. Openlane has a large auction facility in Richmond, BC (the "**Richmond Facility**") that forms part of Openlane's network of 14 vehicle logistics centres in Canada. The Richmond Facility includes 130 acres, 12 auction lanes and a mechanic shop with 12 bays. For a party liquidating vehicles, Openlane proposes to provide significant advantages including, among others, local infrastructure and services, maximized reach and competitive bidding, transparency, efficiency, and a faster sales cycle.
 - b. Openlane will arrange for the pickup and delivery of the Canadian Vehicles to its Richmond Facility within five days of a request, subject to charging certain standard fees based on if the vehicle can be driven or needs to be towed.
 - c. Vehicles may undergo mechanical inspection within seven to ten days of arrival for a set fee per unit and any mechanical repairs are subject to an hourly rate.
 - d. Condition reports and photographs will be completed within 48 hours of the vehicles' arrival at the Richmond Facility.
 - e. Vehicles may be reconditioned, at a certain cost range per unit, where deemed necessary and where such work is expected to enhance sale value.
 - f. Any units that require additional time for registrations or liens or administrative processing can be held as needed.
 - g. Offers may be received as early as the first auction, which is anticipated to occur within seven days of the vehicles' arrival at the Richmond Facility.
 - h. Vehicles meeting or exceeding the target price set by the Receiver during the auction will be automatically sold. If bids fall below the target price, Openlane will present the offers to the seller either during or after the auction. Auctions are held twice weekly.
 - i. Sales commissions will be charged on a per vehicle basis based on a sliding scale dependent on the sale value.

- j. Insurance coverage will need to remain in place while the vehicles are stored at Openlane's facility, as Openlane maintains insurance only for damage caused by its own actions or negligence.
 - k. Payment for vehicles will be made within 24 hours of sale, provided the registration is transferable, all liens have been discharged, and the vehicle has been mechanically inspected.
 - l. If a vehicle has not been mechanically inspected, payment will be made within three business days, unless arbitrable mechanical, repair or other issues are identified ("**Arbitration Matters**"), in which case payment may be delayed until such issues are resolved.
 - m. Openlane will provide a comprehensive post-auction report, including vehicle details, buyer information, fees, and applicable taxes.
54. Openlane provided the Receiver with estimated sales prices for the Canadian Vehicles, with the exception of 14 vehicles (the "**Excluded Vehicles**") that were either travel trailers or vehicles not normally sold by Openlane and information was not available (the "**Openlane Values**"). It is understood that the Openlane Values are only approximate, as factors such as each vehicle's specific condition, trim level, and actual (as opposed to average based on the model year) mileage must be taken into account. In addition, the vehicles have not yet been physically inspected by Openlane and reconditioning or repairs may be required. In order to compare the Openlane Values to other offers, the Receiver adjusted the Open Lane Values for the Excluded Vehicles by adding the lower of the estimated value of the Canadian Vehicles and the offer value provided by VA.

VA Agreement

55. The redacted VA Agreement is attached hereto as **Appendix "B"** and includes an en-bloc offer for both the Canadian Vehicles and the US Vehicles. An unredacted version of the VA Agreement is attached as Appendix "B" to the First Confidential Report. The key non-confidential terms and conditions included in the VA Agreement are summarized as follows:
- a. The offer is on an "as-is, where-is" basis with no representations or warranties provided by the Receiver and includes 157 of the Canadian Vehicles and the 24 US Vehicles.
 - b. A deposit of 20% of the total purchase price is due no later than one business day following acceptance of the VA Agreement by the Receiver.
 - c. The completion date is no later than two business days following Court approval and the issuing of a vesting order or such other date as may be agreed to by the parties (the "**Completion Date**").
 - d. The Canadian Vehicles will be removed from the storage location and relocated within seven days of the Completion Date.
 - e. The US Vehicles will be released as soon as reasonably possible after the Completion Date.
 - f. VA is responsible for all Sales Taxes, Other Taxes, penalties, and taxes (as defined in the VA Agreement) related to the VA Transaction and each party is responsible for its own legal and any other professional fees related to the VA Transaction.
56. VA has provided proof that it has funds currently available to cover the purchase price for the Canadian Vehicles and the US Vehicles.

Receiver's recommendation

57. The Receiver's comments on the VA Agreement and the Openlane Proposal are as follows:
- a. The VA Agreement offers greater certainty regarding the net sale proceeds. In contrast, the Openlane Proposal is dependent on auction bids (even with minimum bid reserves) and is subject to Openlane fees, as well as potential repair and other unknown costs and issues, none of which apply under the VA Agreement.
 - b. The VA Agreement provides payment within two days of Court approval of the offer whereas the Openlane Proposal is contingent on vehicle transportation, inspection, conditioning or repairs, and sale, all of which will take more time.
 - c. Professional fees to close the VA Transaction are expected to be lower than going to auction as the Receiver would need to set minimum auction values and liaise with Openlane throughout the auction process, as well as dealing with any Arbitration Matters and related delays and costs.
 - d. TD, as the Company's primary secured creditor, the fulcrum creditor, and the party most directly impacted and exposed to loss, supports the VA Transaction.
 - e. GB's legal counsel has expressed willingness to allow the US Vehicles to be sold as part of the VA Transaction, with any priority or right to the sales proceeds to be determined in due course.
 - f. The Receiver is unaware of any party opposed to the proposed sale.
58. Considering the above, along with the fact that the vehicle inventory is a depreciating asset with significant holding costs, the Receiver believes accepting the VA Agreement is fair and reasonable under the circumstances. For the foregoing reasons, the Receiver recommends that the VA Agreement be approved by the Court.
59. The First Confidential Report includes additional information on the potential net proceeds available under the VA Agreement and Openlane Proposal.

RECEIVER'S R&D

60. The Receiver's R&D reflects the receipts and disbursements from the Date of Interim Receivership to July 8, 2025 and is attached hereto as **Appendix "C"**.
61. As of June 25, 2025, the gross receipts in the Receiver's R&D totaled approximately \$1.06 million. This amount primarily comprises the AR collections (and related GST) and the BMO Funds.
62. During the same period, the total disbursements in the Receiver's R&D totaled approximately \$108,000 and mainly include rent of \$34,400 for May and June 2025, security services of \$34,371 for May and June 2025, and insurance premiums of \$29,700 for a new property policy.
63. The net cash balance held by the Receiver as at July 8, 2025, before any outstanding professional fees, security, bailiff or other costs, is approximately \$952,000.

CONCLUSIONS

64. Based on the foregoing, the Receiver respectfully requests that the Court grant the Order(s) cited at paragraph 9 of this First Report.

All of which is respectfully submitted at Vancouver, BC this 16th day of July, 2025.

DELOITTE RESTRUCTURING INC.

In its Capacity as Court-appointed Receiver of
Titanium Autogroup Ltd. and not in its personal or corporate capacity



Per: Jeff Keeble, CPA, CA, CIRP, LIT, CBV
Senior Vice-President

Appendix "A"

Openlane auction proposal - redacted



Who is OPENLANE Vancouver?

OPENLANE Vancouver is a key facility within OPENLANE Canada's network of 14 Vehicle Logistics Centers (VLC), operating as a comprehensive digital and physical wholesale marketplace for used vehicles. Strategically located at 7111 No. 8 Road, Richmond, BC, it serves as a central hub for vehicle liquidation in the Vancouver area and beyond. This specific location boasts extensive facilities, including 130 acres, 12 auction lanes, a mechanic shop with 12 bays, a full-service tire shop, and a recon shop with three lanes. It also offers 24/7 vehicle drop-off and extended hours for vehicle pick-up.

For a receiver liquidating vehicles, OPENLANE Vancouver offers significant advantages:

- **Local Infrastructure and Services:** The physical presence in Vancouver provides essential on-site services crucial for liquidation. This includes professional vehicle inspections, reconditioning services (including detailing, paintless dent repair, glass repair, and more), and mechanical services. These services ensure vehicles are presented in the best possible condition, maximizing their appeal and sale price. Transportation services network of drivers and trucks to relocate vehicles to any destination. The ability to drop off vehicles 24/7 offers logistical flexibility for receivers.
- **Maximized Reach and Competitive Bidding:** Leveraging OPENLANE Canada's network of over 15,000 buyers and sellers, OPENLANE Vancouver ensures broad exposure for liquidated vehicles. This extensive reach, combined with various sale formats (including 24/7 marketplace listings, scheduled live auctions, and online 45-minute quick auctions), fosters competitive bidding, driving up recovery values for assets.
- **Streamlined Process and Transparency:** OPENLANE's digital platform streamlines the entire liquidation process. Receivers benefit from detailed condition reports, integrated tools for managing listings and transactions, and transparent pricing. This reduces administrative



burden and provides clear oversight of the liquidation, a critical factor for receivers.


- **Efficiency and Faster Sales Cycle:** The digital-first approach and flexible sale formats allow for quicker realization of assets compared to traditional methods. With professional handling of inspections and listing, vehicles can be moved through the sales process efficiently, minimizing holding costs and accelerating recovery. The local facilities also enable seamless post-sale logistics like vehicle pick-up and transport arrangements.

OPENLANE Vancouver is pleased to offer Deloitte the following fee structure

Basic services for the pickup, preparation and sale of all vehicles are listed and other services are available as required.

Capture and Sale	
SELL FEE Vehicles selling for greater than \$10,001	
SELL FEE for vehicles selling for less than \$10,000	
Storage	Included in seller fee
Registration Transfers	Included in seller fee
Electronic Condition report including photo's	Included in seller fee
Marshalling fee(any vehicles removed if not sold)	
Reconditioning Fees	
RECONDITIONING – COMPLETE DETAIL: Wash/Vacuum/Tires/ HD photos/ Interior Shampoo/ Windows/ Engine Bay	
RECONDITIONING – PARTIAL DETAIL: Wash/Vacuum/Tires/ HD photos	
MECHANICAL Pre Sale Inspection – all Arbitrable items would be Identified	
MECHANICAL Repairs: only as needed to prepare vehicle for sale	
Transportation	
TRANSPORTATION:	



From any Titanium location in Langley area to OPENLANE Vanc: Drive-Away – keys ready	
TRANSPORTATION: From any Titanium Location in Langley area to OPENLANE Vanc: Towing	

Expedited Vehicle Liquidation Services

We offer a swift and streamlined process for liquidating vehicles, ensuring quick turnaround and maximum recovery. Upon authorization from Titanium locations, we will **immediately mobilize transporters** to pick up vehicles, aiming for collection **within 5 business days, if not sooner.**

Once vehicles arrive at our facility:

- **Condition reports and photography** will be completed **within 48 hours.**
- Vehicles will undergo **mechanical inspection within 7 to 10 days.**
- We can **store units requiring additional time** for any administrative processing, such as registrations or lien removals.

Our sales process is designed for efficiency:

- We hold **auctions twice weekly.**
- Once we receive your **target pricing**, vehicles meeting or exceeding that price in auction will be **automatically sold.**
- For offers below your target, we will provide you with **live offers during or by consolidated report after the auction.**

Expedited payment is a priority:

- Vehicles with **transferable registrations, cleared liens, and a completed mechanical inspection** will be paid out **within 24 hours of sale.**
- For vehicles **not mechanically inspected, payment will be within 3 business days,** provided no arbitrable items are identified. Should arbitrable issues arise, payment be delayed until these are resolved.

Finally, you will receive a **comprehensive post-auction report** detailing vehicle information, buyer details, and all fees/taxes collected.

Appendix "B"

Vancouver Auto Liquidation Center Ltd. offer – redacted

OFFER TO PURCHASE

DATE: July 16, 2025

BETWEEN: Vancouver Auto Liquidation Center Ltd. (the "Purchaser")

AND: DELOITTE RESTRUCTURING INC., in its capacity as the Court-Appointed Receiver of Titanium Autogroup Ltd. (the "Company"), and not in its personal capacity (the "Receiver"), pursuant to Supreme Court of British Columbia Action No. S-253695, and the Receivership Order granted in that proceeding on June 10, 2025 (the "Receivership Order").

1. BASIC TERMS

The basic terms of this offer to purchase between the Purchaser and the Receiver dated as of the date first written above (the "Offer to Purchase") are:

- (a) **Address of Purchaser:** Attention: Jessica Phan
Telephone: [REDACTED]
Email Address: [REDACTED]
- (b) **Address of Receiver:** Attention: Jeff Keeble
Telephone: 604-235-4197
Email Address: Jkeeble@deloitte.ca and sstephens@owenbird.com
- (c) **Assets**

The Receiver's right, title and interest in the following assets (collectively, "the Assets"):
 - Canadian Vehicle Inventory (157 vehicles): See Schedule "A"
 - United States Vehicle Inventory (24 vehicles): See Schedule "B"
- (d) **Purchase Price:** [REDACTED] being the total price offered by the Purchaser to acquire the Assets.
- (e) **Deposit:** [REDACTED] dollars (the "Deposit").

The Deposit shall be 20% of the Purchase Price.
- (f) **Deposit To Be Paid To:** The Receiver.
- (g) **Acceptance Date:** July 16, 2025.

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- (h) **Completion Date:** On the day that is two (2) days following issuance of a vesting order approving this Offer to Purchase, or such earlier or later date as the Receiver and the Purchaser may agree upon in writing.

The foregoing basic terms are approved by the Purchaser and the Receiver (collectively, the "**Parties**"). Any reference in this Offer to Purchase to a term shall be construed to include the provisions set forth above as well as any additional relevant and/or applicable terms and conditions of this Offer to Purchase.

2. **OFFER**

The Purchaser hereby offers to purchase the Assets, free and clear of all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (the "**Encumbrances**" which term shall not include any security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims which fall outside of the jurisdiction of the BC Supreme Court to expunge and discharge) for the Purchase Price and upon the terms and conditions herein set forth, subject expressly to a further order of the Supreme Court of British Columbia (the "**Court**") approving this Offer to Purchase (the "**Vesting Order**") and the vesting of title to the Assets in the Purchaser upon the Completion Date.

The Purchaser further acknowledges that the purchase of the Assets pertains exclusively to those outlined in Schedule A and Schedule B, and therefore does not include the Company's accounts receivable, prepaid expenses, tax refunds, capital assets or any other assets.

3. **SPECIAL PROVISIONS - RECEIVERSHIP**

- (a) The acceptance of this Offer to Purchase by the Receiver is made pursuant to the Receivership Order and is neither made nor purported to be made as a seller or owner of the Assets. The acceptance of this Offer to Purchase by the Receiver is expressly subject to the approval by the Court, and all such other modifications, variations and orders of the Court, as may be applicable, and shall only become effective from and after an order is made by the Court approving this Offer to Purchase.
- (b) The Purchaser acknowledges and agrees that:
- (i) the date of any application by the Receiver for a Vesting Order to approve this Offer to Purchase shall be at the sole and arbitrary discretion of the Receiver and is anticipated to be on or around July 22, 2025;

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- (ii) at all times, the Receiver is subject to the jurisdiction and discretion of the Court to entertain other offers and to abide by any further orders the Court may make regarding the Assets and the Receivership Order;
 - (iii) the Receiver may choose to advocate, or the Receiver may be compelled to advocate that the Court consider other offers to obtain the highest price for the Assets, and in this regard, the Receiver gives no undertaking or commitment to the Purchaser to advocate or otherwise express support for the acceptance of this Offer to Purchase; and
 - (iv) the Purchaser shall make its own arrangements to support this Offer to Purchase in Court.
- (c) If the Court vacates, sets aside or varies a Vesting Order approving this Offer to Purchase for any reason whatsoever, then in connection therewith, the Receiver shall not be liable to the Purchaser or any other person in any way whatsoever.
- (d) This Offer to Purchase shall be terminated if, at any time before the Court issues a Vesting Order:
- (i) the Receiver determines in its sole and arbitrary discretion that it is inadvisable to present this Offer to Purchase to the Court or to withdraw such Offer to Purchase from the Court prior to any determination by the Court regarding its approval; or
 - (ii) the Vesting Order is not granted or any other order of the Court (or other court of competent jurisdiction) renders the completion impossible or inadvisable or the Receiver is restrained or enjoined or otherwise prevented from completing the sale,

and following such termination, the Receiver shall have no further obligations or liability to the Purchaser under this Offer to Purchase.

- (c) If, and only if the Vesting Order is made by the Court, then the Purchaser shall be obligated to complete the purchase of the Assets on the Completion Date (or such other date as the Vesting Order may stipulate), without regard to any appeal or application for leave to appeal, to vary or set aside the Vesting Order, by any person.

4. DEPOSIT

- (a) The Deposit shall be paid to the Receiver, by way of wire transfer or bank draft in accordance with the wire instructions set forth in Part I of **Schedule "C"** attached hereto, as follows:
 - (i) not later than one (1) business day following the acceptance by the Receiver of this Offer to Purchase, the Purchaser shall pay the Deposit.
- (b) The Receiver shall hold and deal with the Deposit "*in trust*" in accordance with the terms hereof or in accordance with any order of the Court if applicable.

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- (c) The Deposit, when received by the Receiver, shall be held by the Receiver in an interest-bearing trust account until the Completion Date.
- (d) In holding and dealing with the Deposit, the Receiver is not bound in any way by any agreement other than this Offer to Purchase, if and as accepted by the Receiver. The Receiver shall not be considered to have assumed any duty, liability or responsibility other than to hold the Deposit in accordance with the provisions hereof and to pay the Deposit (or any accrued interest thereon) to either the Receiver or the Purchaser in accordance with the terms hereof or any order of the Court. In the event of a dispute between the Parties as to the legal entitlement to the Deposit, the Receiver may, in its discretion, pay the Deposit into Court, whereupon the Receiver shall have no further obligations relating to the Deposit. The Receiver shall not, under any circumstances, be required to verify or determine the validity of any notice or other document whatsoever delivered to the Receiver and the Receiver is hereby relieved of any liability or responsibility for any loss or damage which may arise as the result of the acceptance by the Receiver of any such notice or other document in good faith.
- (e) The Deposit, while held "*in trust*" by the Receiver, shall be dealt with as follows:
 - (i) if the Purchaser is in breach or anticipatory breach of the terms of this Offer to Purchase and the Offer to Purchase is terminated by the Receiver pursuant to section 3(d), the Deposit, together with any accrued interest thereon, shall be forfeited by the Purchaser and retained by the Receiver (without deduction of any break fees) as the sole remedy, at law or in equity of the Receiver against the Purchaser;
 - (ii) if the Purchaser is not in breach or anticipatory breach of the terms of this Offer to Purchase and the Offer to Purchase is terminated by the Receiver pursuant to section 3(d), then the Deposit, together with any accrued interest thereon, shall be returned to the Purchaser as the sole remedy, at law or in equity of the Purchaser against the Receiver;
 - (iii) in connection with the completion of this purchase and sale transaction, the Deposit, together with any accrued interest thereon, while held "*in trust*" by the Receiver, shall be credited on account of the Purchase Price on the Completion Date, or, in lieu of such credit for accrued interest, the Receiver may pay an amount equal to such accrued interest directly to the Purchaser on the Completion Date or as soon as reasonably possible thereafter;
 - (iv) if this Offer to Purchase is approved by the Court and this purchase and sale transaction is not subsequently completed in accordance with the terms hereof due to the default of the Purchaser hereunder, the Deposit and all interest thereon shall be forfeited by the Purchaser and retained by the Receiver (without deduction of any break fees) as the sole remedy, at law or in equity of the Receiver against the Purchaser;
 - (v) if this Offer to Purchase is approved by the Court and this purchase transaction is not subsequently completed in accordance with the terms

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hereof due to the default of the Receiver hereunder, the Deposit and all interest thereon shall be paid by the Receiver to (without deduction of any commissions, brokerage fees or break fees) the Purchaser as the sole remedy, at law and in equity of the Purchaser against the Receiver.

- (f) The provisions of this section 4 shall survive the termination of this Offer to Purchase.

5. PURCHASE PRICE

The net Purchase Price for the Assets, as adjusted pursuant to section 11 hereof (the "**Balance**") shall be paid by the Purchaser to the Receiver on the Completion Date and otherwise in accordance with the Vesting Order.

6. AS IS, WHERE IS

- (a) The Purchaser acknowledges and agrees that the Purchaser:
 - (i) is purchasing the Assets on a strictly "*as is, where is*" basis, as of the time of actual possession and the Receiver takes no responsibility for removal, transportation, export, import, or compliance with any related regulatory requirements for any of the vehicles. Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees that neither the Receiver, its agents, its representatives nor any other party has made, nor is required hereunder to make, any warranties or representations whatsoever with respect to the Assets, whether expressed or implied, including, without limitation, any warranty or representation as to physical, environmental or financial condition, size, dimensions, fitness for use or purpose, quality, or the existence of any defect, whether latent or patent;
 - (ii) has conducted all investigations and inspections with respect to the condition of the Assets, including but not limited to, physical or financial issues that the Purchaser deems appropriate and/or relevant.
- (b) If the Receiver has provided the Purchaser with any physical, financial or other reports or information regarding the Assets (the "**Information**"), including inventory listings obtained from the Company's books and records, and for greater certainty the Receiver is under no obligation to do so, the Purchaser acknowledges and agrees that neither the Receiver, its agents, its representatives nor any other party has not made and the Purchaser shall not assert that the Receiver, its agents, its representatives nor any other party made, any warranty or representation whatsoever regarding the Information, including the accuracy or completeness of the Information, and any use that the Purchaser or others may make of the Information is strictly at the Purchaser's own risk.

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7. CONDITIONS PRECEDENT

8. REPRESENTATIONS AND WARRANTIES

- (a) The Receiver makes no warranties or representations of any kind whatsoever, expressed or implied, with respect to any part of the Assets.

9. TAXES

- (a) The Purchaser confirms that it shall be registered on the Completion Date with Canada Revenue Agency or any successor thereto ("CRA") in compliance with Part IX of the *Excise Tax Act* (Canada) (the "Act") relating to the federal goods and services tax ("GST").
- (b) The Purchase Price does not include GST or provincial sales tax ("PST") or any other sales tax or similar tax (collectively "Sales Taxes") and the Purchaser covenants, represents and warrants and confirms that it (as of the date hereof and as of the Completion Date):
 - (i) shall be responsible for any Sales Taxes payable with respect to the purchase of the Assets or with respect to the subject transaction and account directly to CRA or BC Ministry of Finance or other applicable governmental authority, as applicable, with respect thereto;
 - (ii) is purchasing the Assets as principal for its own account and the Assets are not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person;
 - (iii) shall be liable and shall self-assess and remit to the CRA or, other applicable government authority, all GST which is payable under the Act in connection with the purchase of the Assets, all in accordance with the Act;
 - (iv) if requested by the Purchaser, and at the expense of the Purchaser, the Receiver shall execute a joint election as provided for under section 167(1.1) of the Act.
 - (v) shall be liable and shall self-assess and remit to the BC Ministry of Finance or, other applicable government authority, all PST or any other sales tax of similar tax which is payable under the *Provincial Sales Tax Act* (British Columbia) or any other applicable legislation in connection with the purchase of the Assets, all in accordance with the relevant legislation;
 - (vi) in the event that on the Completion Date the Purchaser is no longer validly registered as a registrant under Part IX of the Act for the purposes of goods and services tax such that the Receiver is required to remit the GST payable with respect to the closing of the purchase and sale transaction contemplated herein, the Purchaser shall deliver to the Receiver with the Balance amount of such GST payable on the Purchase Price;

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- (vii) shall confirm its GST registration number to the Receiver on or prior to the Completion Date by providing a signed certificate in the customary form; and
- (viii) shall provide copies of all other relevant remittances related to Sales Taxes.
- (c) For certainty, and not to limit the generality of section 9(b) above the Purchase Price does not include any US taxes or import taxes or other taxes, levies, duties, tariffs or similar charges (but excluding for certainty the Company's Canadian income taxes) (collectively "**Other Taxes**") which may be owing related to the sale of the Assets and the Purchaser covenants to pay all such Other Taxes to the appropriate government authorities, as required by any applicable legislation. The Purchaser shall provide the Receiver with all documents related to calculating, filing or payment of the Other Taxes.
- (d) The Purchaser shall indemnify and save harmless the Receiver from and against any and all Sales Taxes, Other Taxes penalties, costs and/or interest which may become payable by or assessed against the Receiver as a result of any failure by the Purchaser to comply with the foregoing and such indemnity shall survive and shall not merge upon the completion of the sale of the Assets contemplated herein

10. COMPLETION DATE

The purchase and sale of the Assets shall be completed on the Completion Date, subject always to the terms of the Vesting Order and any further order of the Court.

11. ADJUSTMENTS AND ASSOCIATED TAXES

The Purchaser shall be responsible for the payment of all Sales Taxes and Other Taxes payable in respect of the purchase and sale of Assets and the registration of the Vesting Order.

12. POSSESSION

Possession shall occur upon completion of the purchase and sale of the Assets on the Completion Date and shall otherwise be governed by operation of and pursuant to the terms of the Vesting Order and any further order of the Court.

13. DELIVERY OF CLOSING DOCUMENTS

- (a) On or before the Completion Date, the Receiver shall cause the Receiver's solicitors to deliver to the Purchaser's solicitors the following items, duly executed by the Receiver and in registrable form whenever appropriate, to be dealt with in accordance with section 14:
 - (i) a Court-certified true copy of the Vesting Order (the "**Certified Vesting Order**"). The Vesting Order (and the Certified Vesting Order) shall describe the Purchaser exactly as the Purchaser appears on the first page of this Offer to Purchase, so the Purchaser (as described on the first page of this Offer to Purchase) shall appear as the owner of the Assets after completion of the purchase of the Assets. The Receiver shall not be bound

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by any term in this Offer to Purchase describing the Purchaser otherwise, or allowing the Purchaser to complete the Purchase with a different purchase-entity; and

- (ii) such further certificates and assurances as may be required in the reasonable opinion of the Purchaser's solicitors and the Receiver's solicitors to transfer to and vest in the Purchaser, title to the Assets free and clear of any Encumbrances.
- (b) The Receiver shall arrange to obtain the Vesting Order as soon as reasonably practicable.
- (c) The Receiver and the Purchaser shall each deliver to or cause to be delivered to the other all such further documents and assurances as may be reasonably required to give full effect to the intent and meaning hereof.
- (d) As soon as reasonably possible after the completion of the purchase and sale of the Assets and subject to section 12, the Receiver shall provide to the Purchaser access to the storage yard [REDACTED] Canada for its collection of the Canadian Vehicle Inventory (to the extent that such items have not previously been delivered to the Purchaser and are in the Receiver's possession or control). The Purchaser shall relocate the Canadian Vehicle Inventory within seven (7) days of the Completion Date at their own cost and expense. If the Purchaser fails to relocate the Canadian Vehicle Inventory within seven (7) days, the Purchaser shall pay to the Receiver [REDACTED] per day for each vehicle that has not been relocated. For certainty, the Purchaser shall, at its own expense, collect any Canadian Vehicle Inventory not in the Receiver's possession or control.
- (e) As soon as reasonably possible after the completion of the purchase and sale of the Assets and subject to section 12, the Receiver will instruct the owner of the storage facility who is holding the United States Vehicle Inventory to release the vehicles to the Purchaser (to the extent that such items have not previously been delivered to the Purchaser and are in the Receiver's possession or control). The storage facility is located at [REDACTED]. The Purchaser will be responsible for all outstanding and future costs, if any, owing to the storage facility with respect to the United States Vehicle Inventory.

14. CLOSING PROCEDURE

On or before the Completion Date the Purchaser shall pay to the Purchaser's solicitors "in trust" the Balance as set out in section 5 of this Offer to Purchase.

15. COMMISSIONS

No commissions shall be paid to or by the Receiver in respect of the transactions contemplated herein.

16. FEES AND EXPENSES

All documents that are necessary to complete the purchase and sale of the Assets, including without limitation, the Certified Vesting Order, shall be prepared at the expense of the Receiver and will be payable out of the proceeds of sale of the Assets. The Purchaser shall pay the expense of registering the Certified Vesting Order and Sales Taxes, Other Taxes and all import/export fees and other costs due in respect of the transfer of the Assets to the Purchaser. For certainty, each party remains responsible for their own legal fees and other professional fees, if any.

17. TENDER

Any tender of documents or money pursuant to this Offer to Purchase may be made upon the solicitor acting for the party on whom tender is desired, and it shall be sufficient for any money to be paid by wire transfer or bank draft.

18. ASSIGNMENT

The Purchaser shall not be entitled to assign its interest in this Offer to Purchase without the prior written consent of the Receiver, in its sole discretion.

19. ENTIRE AGREEMENT

This Offer to Purchase (including the Schedules attached hereto) constitutes the entire agreement between the Parties in respect of the Assets, and it is understood and agreed that:

- (a) there are no representations, warranties or guarantees or promises affecting the Assets or this Offer to Purchase; and
- (b) there are no covenants, agreements, collateral agreements or conditions affecting the Assets or this Offer to Purchase,

in each case, other than as expressed in writing in this Offer to Purchase.

20. TIME

Time shall be of the essence hereof.

21. NOTICE

Any notices, requests or demands which may or are required to be given or made hereunder shall be in writing and served personally, faxed or e-mailed as follows:

- (a) if to the Purchaser, to the address, fax number or e-mail address and to the person set out in subsection 1(a); and
- (b) and if to the Receiver, to the address, fax number or e-mail address and to the person set out in subsection 1(b);

provided that either Party may change its address, fax number or e-mail address by written notice to the other and in such event this section shall be deemed to be amended accordingly. Any notice, request or demand given or made hereunder by personal delivery, fax or e-mail shall be conclusively deemed to have been given or made on the day it is actually delivered, faxed or e-mailed unless it is delivered, faxed or e-mailed after 5:00 p.m. (Vancouver time) or on a day other than a business day, in which case it shall be deemed to have been given or made on the next business day.

22. ELECTRONIC TRANSFER OF FUNDS

Notwithstanding any other provision of this Offer to Purchase, the Parties agree that, if the Purchaser is required by applicable legislation to cause the Balance to be paid by electronic transfer, then the Purchaser shall make all commercially reasonable efforts to ensure that the Balance is and shall be transferred to and received by the Receiver's solicitors, or as otherwise directed by the Vesting Order, on or before 3:00 p.m. (Vancouver time) on the Completion Date. If for any reason out of the control of the Purchaser (which, for greater certainty, shall not include any event which is a default by the Purchaser under this Offer to Purchase), the Purchaser cannot ensure that such an amount shall be received by the Receiver's solicitors, or as otherwise directed by the Vesting Order, on or before the time and date set out above, then the Purchaser shall be entitled to pay such amount on or before 3:00 p.m. (Vancouver time) on the next business day following the Completion Date so long as, in addition to such amount, the Purchaser also pays at the same time interest on such amount, at a rate equal to the Prime Rate plus one percent (1%) per annum, for each day from and including the Completion Date to but not including the day such payment is made. "Prime Rate", as used herein, means that variable annual rate of interest quoted by the main branch of Royal Bank of Canada, Victoria, British Columbia, from time to time as the rate of interest used by it as a reference rate for setting rates of interest on Canadian dollar loans in Canada repayable on demand and commonly referred to by such bank as its "prime rate".

23. GOVERNING LAW

This Offer to Purchase and the agreement resulting therefrom shall be construed according to and governed by the laws of the Province of British Columbia.

24. BINDING EFFECT

This Offer to Purchase shall enure to the benefit of and be binding upon the Receiver and the Purchaser and their representative administrators, successors and permitted assigns.

25. BUSINESS DAY

- (a) In this Offer to Purchase, "**business day**" means a day other than a Saturday, Sunday or statutory holiday in British Columbia.
- (b) If the date for the performance of any act or thing falls on a day which is a Saturday, Sunday or statutory holiday in British Columbia, then the date for the performance of such act or thing shall be extended to the next business day.

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26. EXECUTION BY ELECTRONIC MEANS

This Offer to Purchase may be executed by the Parties and transmitted by fax or other electronic means and if so executed and transmitted this Offer to Purchase shall be for all purposes as effective as if the Parties had delivered an executed original Offer to Purchase.

27. EXECUTION IN COUNTERPARTS

This Offer to Purchase may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.

28. OFFER

This Offer to Purchase is irrevocable and open for acceptance by the Receiver, in the manner indicated below, until but not after 5:00 p.m. Vancouver local time on the Acceptance Date, and if not accepted on or before such time and date shall be absolutely null and void. This Offer to Purchase may be accepted by the Receiver executing this Offer to Purchase and returning same to the Purchaser, and when accepted, this Offer to Purchase shall constitute a binding agreement of Purchase and purchase of the Assets in accordance with the terms hereof.

The Purchaser has executed this Offer to Purchase this 16th day of July, 2025.

By:  Signed by:
981AD256A88C488
(Authorized Signatory)


Jessica Phan, Director
(Name & Title)

THE RECEIVER'S ACCEPTANCE

In consideration of the Purchaser paying the Deposit to the Receiver as provided in subsection 4(a), and in further consideration of the covenants and agreements of the Purchaser contained in this Offer to Purchase, the Receiver hereby accepts the Purchaser's offer herein, subject to the terms and conditions hereof, including without limitation, the requirement to seek the approval by the Court of this Offer to Purchase.

IN WITNESS WHEREOF the Receiver has executed this Offer to Purchase this 16TH day of July, 2025.

DELOITTE RESTRUCTURING INC., in its capacity as the Court-Appointed Receiver of Titanium Autogroup Ltd., and not in its personal capacity

By:  (Authorized Signatory)
SENIOR VICE PRESIDENT
(Name & Title)

SCHEDULE A
CANADIAN VEHICLE INVENTORY

Titanium Autogroup Ltd.				
Canadian Vehicle Inventory List				
Number	VIN Number	Year	Make	Model
1	WA1WFCEP1FA057545	2015	Audi	Q5
2	WAUSPBFF4GA076446	2016	Audi	A3
3	WUAW2AFC8GN902293	2021	Audi	RS7
4	1G1FC1RS9K0149756	2019	Chevrolet	Camaro
5	1G1ZE5ST6PF197267	2023	Chevrolet	Malibu
6	1G1ZE5ST7PF188299	2023	Chevrolet	Malibu
7	KL79MUSL3NB098461	2022	Chevrolet	Trailblazer
8	2C4RC1S72NR200194	2022	Chrysler	Pacifica
9	1C4SDJCTXPC567673	2023	Dodge	Durango
10	1C4SDJH91SC501566	2025	Dodge	Durango
11	1C4SDJH98RC245100	2024	Dodge	Durango
12	2C4RDGBG9GR358907	2016	Dodge	Grand Caravan
13	3C4PDCCG4GT230036	2016	Dodge	Journey
14	1FA6P8CF1R5429528	2024	Ford	Mustang
15	1FATP8UH4N5121489	2022	Ford	Mustang
16	1FD0W5H1JKL145100	2019	Ford	F550
17	1FMCU9G66MUA71584	2021	Ford	Escape
18	1FMCU9G69MUA71627	2021	Ford	Escape
19	1FMSK8DH9PGB15999	2023	Ford	Explorer
20	1FT8W3BT4HEC12103	2017	Ford	F350
21	1FT8W4DM9REF86882	2024	Ford	F450
22	1FTEW1EF4HKD50545	2017	Ford	F150
23	1FTEW1EPXLKE83585	2020	Ford	F150
24	MAJ6P1CL0JC221654	2018	Ford	Ecosport
25	MAJ6P1CL7JC187793	2018	Ford	Ecosport
26	1GTP9AEKXLZ366939	2020	Gmc	Sierra
27	2HGFC2F52KH028205	2019	Honda	Civic
28	2HGFC2F58LH020417	2020	Honda	Civic
29	2HGFC2F70KH039818	2019	Honda	Civic
30	2HGFE2F36NH113545	2022	Honda	Civic
31	5FNYP6H7XHB508270	2017	Honda	Pilot
32	2HGFE2F28NH116986	2022	Honda	Civic
33	KM8K2CAB4PU000084	2023	Hyundai	Kona
34	KMHD04LB9KU827105	2025	Hyundai	Elantra
35	KMHDH4AE7GU475106	2016	Hyundai	Elantra
36	KMH35LEXJU065989	2018	Hyundai	Elantra
37	KMHHT6KD7DU095891	2012	Hyundai	Genesis
38	KMHLM4AG3NU327699	2022	Hyundai	Elantra
39	KMHLM4DG8SU924869	2025	Hyundai	Elantra

Number	VIN Number	Year	Make	Model
40	KMHLM4DGXSU936103	2025	Hyundai	Elantra
41	KMHLN4DJ7SU126761	2025	Hyundai	Elantra
42	KMHRC8A30PU257731	2023	Hyundai	Venue
43	KMHRC8A32NU168904	2022	Hyundai	Venue
44	KMHRC8A34PU267503	2023	Hyundai	Venue
45	KMHRC8A35NU168850	2022	Hyundai	Venue
46	KMHRC8A35PU236650	2023	Hyundai	Venue
47	KMHRC8A36MU106985	2021	Hyundai	Venue
48	KMHRC8A36PU252775	2023	Hyundai	Venue
49	KMHRC8A36PU254350	2023	Hyundai	Venue
50	KMHRC8A36PU258172	2023	Hyundai	Venue
51	KMHRC8A37PU246001	2023	Hyundai	Venue
52	KMHRC8A38PU258657	2023	Hyundai	Venue
53	KMHRC8A39PU265326	2023	Hyundai	Venue
54	1UJB0BT5N14C0315	2022	Jayco	White Hawk
55	1UJB0BT9H77I0103	2016	Jayco	Jayflight
56	1C4JJXSJ5NW108652	2022	Jeep	Wrangler
57	1C4NJDAB4GD650687	2016	Jeep	Compass
58	1C4PJMBX4JD508527	2018	Jeep	Trail hawk
59	1C4RJHBC0PC523721	2023	Jeep	Grand Cherokee
60	1C4RJHBC3P8110081	2023	Jeep	Grand Cherokee
61	3C4NJDAB0JT330865	2018	Jeep	Compass
62	3C4NJDDN1PT557240	2023	Jeep	Trail Hawk
63	3C4NJDDN1PT557402	2023	Jeep	Trail Hawk
64	3C4NJDDN3PT557238	2023	Jeep	Trail Hawk
65	4YDT29B27JC508957	2017	Keystone	Cougar
66	3KPA25AD1NE474163	2022	Kia	Rio
67	3KPA25AD1NE499354	2022	Kia	Rio
68	3KPA25AD5NE492696	2022	Kia	Rio
69	3KPF34AD0NE478282	2022	Kia	Forte
70	3KPF34AD4PE546358	2023	Kia	Forte
71	3KPF34AD8NE480734	2022	Kia	Forte
72	3KPF34AD8NE504501	2022	Kia	Forte
73	3KPF34AD9PE681058	2023	Kia	Forte
74	3KPF34ADXNE515807	2022	Kia	Forte
75	3KPF44AC4ME279819	2021	Kia	Forte
76	3KPF54AD3ME318891	2021	Kia	Forte
77	3KPF54AD6ME319050	2021	Kia	Forte
78	3KPF54AD7ME281456	2021	Kia	Forte
79	3KPF54ADXME296503	2021	Kia	Forte
80	5XYPGDA3XKG457776	2019	Kia	Sorento
81	5XYPGDA56KG579634	2019	Kia	Sorento
82	5XYPGDA59HG209545	2017	Kia	Sorento
83	KNDEUCA3R7484088	2024	Kia	Seltos
84	KNDJX3AE9F7004205	2015	Kia	Soul

Number	VIN Number	Year	Make	Model
85	KNDPCCA69F7750149	2015	Kia	Sportage
86	KNDPU3DF7R7237849	2024	Kia	Sportage
87	KNDPUCAF2P7149244	2023	Kia	Sportage
88	KNDPUCAF9P7169927	2023	Kia	Sportage
89	2T2BZMCA5HC089801	2017	Lexus	Rx
90	JM1BPAL7XP1621740	2023	Mazda	3
91	JM1DKKC75M1512067	2021	Mazda	CX 3
92	W1Y4NCHY9PP566976	2023	Mercedes-benz	Sprinter
93	WDD2040772F278648	2012	Mercedes-benz	C63
94	WDDZF8KB1JA381166	2018	Mercedes-benz	E63s
95	JA32U2FU8HU601209	2017	Mitsubishi	Lancer
96	JA4AJUAU5MU603609	2021	Mitsubishi	RVR
97	JA4J24A59LZ612935	2020	Mitsubishi	Outlander
98	ML32A5HJ3KMO10173	2019	Mitsubishi	Mirage
99	1HTJSSKK6CH614259	2011	Navistar	Terrastar
100	1N4BL4BW0PN377116	2023	Nissan	Altima
101	1N4BL4BW3NN350229	2022	Nissan	Altima
102	3N1AB7AP4KY342758	2019	Nissan	Sentra
103	3N1AB7AP5KY324995	2019	Nissan	Sentra
104	3N1CN8FV5PL821627	2023	Nissan	Versa
105	5N1AZ2DS6PC124750	2023	Nissan	Murano
106	5N1DR2MM9KC600142	2019	Nissan	Pathfinder
107	2RGBH2025M1001271	2020	Rainbow trailers	020A27M
108	1C6RR7FGXLS142365	2020	Ram	1500
109	1C6RR7LM9HS871877	2017	Ram	1500
110	1C6SRFLT0LN117227	2020	Ram	1500
111	1C6SRFVT2PN514473	2023	Ram	1500
112	1C6SRFVT3PN523358	2023	Ram	1500
113	1C6SRFVT6PN605634	2023	Ram	1500
114	1C6SRFVT6PN611322	2023	Ram	1500
115	3C63RRJL6RG339586	2024	Ram	1500
116	3C6RR7KG0MG615429	2021	Ram	1500
117	3C6RR7LG3PG620580	2023	Ram	1500
118	SALGS2RK5MA440216	2021	Land Rover	Range Rover
119	SALGS2SE3MA449260	2021	Land Rover	Range Rover
120	JF1VA1L6XG9815990	2016	Subaru	WRX
121	5YJ3E1EA0MF056923	2021	Tesla	Model 3
122	5YJ3E1EA0MF853513	2021	Tesla	Model 3
123	5YJ3E1EA4MF847858	2021	Tesla	Model 3
124	5YJ3E1EA5MF016272	2021	Tesla	Model 3
125	5YJ3E1EA5PF677725	2023	Tesla	Model 3
126	5YJ3E1EB2PF415637	2023	Tesla	Model 3
127	5YJ3E1EB7PF415326	2023	Tesla	Model 3
128	5YJ3E1EB7PF455275	2023	Tesla	Model 3
129	5YJ3E1EB8MF939046	2021	Tesla	Model 3

Number	VIN Number	Year	Make	Model
130	5YJ3E1EC2NF136484	2022	Tesla	Model 3
131	5YJSA1E22LF414733	2020	Tesla	Model S
132	5YJXCBE46GF010170	2016	Tesla	Model Y
133	5YJYGAE6MF192640	2021	Tesla	Model Y
134	5YJYGDED7MF132794	2021	Tesla	Model Y
135	5YJYGDED8MF107225	2021	Tesla	Model Y
136	7SAYGDEE0NF504490	2022	Tesla	Model Y
137	7SAYGDEE3PF604084	2023	Tesla	Model Y
138	7SAYGDEE4PF600724	2023	Tesla	Model 3
139	2T3BWRFBV7RW193044	2024	Toyota	Rav4
140	2T3RWRFBV0SW281308	2025	Toyota	Rav4
141	3TYDZ5BN3NT010821	2022	Toyota	Tacoma
142	3TYDZ5BN5NT011632	2022	Toyota	Tacoma
143	4T1C31AK9PU612657	2023	Toyota	Camry
144	5YFBPMBE6MP204463	2021	Toyota	Corolla
145	5YFBPMBEXNP343173	2022	Toyota	Corolla
146	JTEJU5JR8M5903715	2021	Toyota	4Runner
147	JTNKHMBX2M1095613	2021	Toyota	CHR
148	1YGH1625DB090540	2013	Aluma	Trailer
149	1VWBA7A36MC009360	2021	Volkswagen	Passat
150	3VW217AU2FM057450	2015	Volkswagen	Golf
151	3VWDB7AJ0HM412789	2017	Volkswagen	Jetta
152	3VWE57BU6MM075074	2021	Volkswagen	Jetta
153	3VWE57BUXMM074736	2021	Volkswagen	Jetta
154	3VWGS7AU7KM013755	2019	Volkswagen	Golf
155	WVGNV7AX1HK032799	2017	Volkswagen	Tiguan
156	4V4NC9EH6KN904297	2019	Volvo	Vnl860
157	LVYBR0ATXNP248836	2022	Volvo	S90

SCHEDULE B

UNITED STATES VEHICLE INVENTORY

Titanium Autogroup Ltd.				
United States Vehicle Inventory				
Number	VIN Number	Year	Make	Model
1	1GYS4KKJ3KR168836	2019	CADILLAC	ESCALADE ESV
2	1GYS4MKJ7FR656768	2015	CADILLAC	ESCALADE
3	1GCUDDDED8PZ271872	2023	CHEVROLET	SILVERADO
4	1GNKVHKDXGJ319362	2016	CHEVROLET	TRAVERSE
5	1FT8W3BM3PED78202	2023	FORD	F-350
6	1FT8W3BM3PEE01932	2023	FORD	F-350
7	1FT8W3BT3LEE70248	2020	FORD	F-350
8	1FT8W3BT5LED26555	2020	FORD	F-350
9	1FT8W3BT4MED36138	2021	FORD	F-350
10	1FT8W3BT1LED56247	2020	FORD	F-350
11	1FT8W4DT9MED36199	2021	FORD	F-450
12	1FT8W3BT7LED28114	2020	FORD	F-350
13	1FT8W3B61MEC95798	2021	FORD	F-350
14	1FT8W3BT5LEE13811	2020	FORD	F-350
15	1FT7W2BT8LEE13338	2020	FORD	F-250
16	1FA6P8CF2N5149806	2022	FORD	MUSTANG
17	1FTFW1E87MFB81565	2021	FORD	F-150
18	1FTEW1EP9MFB73759	2021	FORD	F-150
19	1FTEW1EGXHFB01491	2017	FORD	F-150
20	1GKKVTKD3FJ297669	2015	GMC	ACADIA
21	1GTW7BFP7M1147678	2021	GMC	SAVANA
22	1C6JTBG1NL128127	2022	JEEP	GLADIATOR
23	1C4HJXEN2PW559554	2023	JEEP	WRANGLER
24	1C6RR7LT3HS639993	2017	RAM	1500

SCHEDULE C

WIRING INSTRUCTIONS

PART I - RECEIVER WIRING INSTRUCTIONS

For CAD Wire Payments:

Beneficiary Account: [REDACTED] (Within Canada) [REDACTED] (Outside Canada)

Beneficiary Name: Deloitte Restructuring Inc. ITF Titanium Autogroup Ltd. In Receivership

Beneficiary Address: Level 19 - 410 West Georgia Street, Vancouver, BC V6B 0S7

Beneficiary Bank: Royal Bank of Canada - 154 1st Avenue S, Saskatoon, Saskatchewan, Canada, S7K 1K2

SWIFT: [REDACTED] Institution: [REDACTED], Transit [REDACTED]

Appendix "C"

**Receiver's Statement of Receipts and Disbursements for the period
from May 14, 2025 to July 8, 2025**

**In the Matter of the Receivership of
Titanium Autogroup Ltd.**

**Receiver's Interim Statement of Receipts and Disbursements
Actuals for the Period from May 14, 2025 to July 8, 2025**

Description	CAD\$
Receipts	
Accounts receivable collections	653,339
Cash in bank - BMO	370,711
GST collected	33,882
Insurance refund	1,085
Interest	231
Total receipts	1,059,248
Disbursements	
Rent	34,400
Security services	34,371
Insurance	29,700
Clean up costs	800
Comission	2,300
GST paid	6,165
Total disbursements	107,736
Excess of receipts over disbursements	\$ 951,512