C A N A D A
PROVINCE OF QUÉBEC
DISTRICT OF QUÉBEC
DIVISION NO.: 01-MONTRÉAL
COURT NO.: 500-11-067888-269
ESTATE NO.: 41-3435631

S U P E R I O R C O U R T
(Commercial Division)
Bankruptcy and Insolvency Act

IN THE MATTER OF THE BANKRUPTCY OF:

ROTALEC INTERNATIONAL INC.
a body politic and corporate, duly incorporated according to law and having its head office and principal place of business at 5000 Thimens, Montreal, QC H4R 2B2

Bankrupt

-and-

RICHTER INC.

Trustee

TRUSTEE'S REPORT TO THE FIRST MEETING OF CREDITORS

On July 19, 2024, pursuant to an application filed by the Toronto Dominion Bank ("**TD Bank**"), the Honourable Justice Black of Superior Court of Justice (Commercial List) (the "**Court**") issued an Order appointing Richter Inc. ("**Richter**") as interim receiver of all of the assets, undertakings and properties of Buchh Holding Inc. ("**Buchh Holding**"), 2371561 Ontario Inc. ("**UGP**"), Britman Specialty Products Inc. ("**BSP**"), Rotalec International Inc. ("**Rotalec International**") and Rotalec Canada Inc. ("**Rotalec Canada**"), pursuant to subsection 47(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3, as amended (the "**BIA**").

On July 31, 2024, the Honourable Justice Kimmel of the Court issued an Order (the "**Receivership Order**") appointing Richter as receiver ("**Receiver**") of Buchh Holding, BSP, Rotalec International and Rotalec Canada (collectively, the "**Companies**" or "**Debtors**"). As noted in the endorsement of Justice Kimmel, UGP was excluded from the Receivership Order.

On October 13, 2026, the Debtors were assigned into bankruptcy by the Receiver pursuant to section 49 of the BIA and Richter was appointed trustee ("**Trustee**") of the estates of the bankrupts by the Official Receiver, subject to affirmation by the creditors at the first meeting of creditors.

The purpose of this report is to inform interested parties about the Trustee's preliminary administration and findings.

The information contained in this report has been prepared from the available books and records of the Companies, statutory filings and information obtained during the receivership proceedings. The books and records have not been audited or otherwise verified by the Trustee. Consequently, the Trustee expresses no opinion or other form of assurance with respect to the validity, accuracy or completeness of the information contained herein.

I. INTRODUCTION

Rotalec International (the "**Company**" or the "**Bankrupt**") was a holding company whose investments consisted of shares in Rotalec Canada and in shares in two other insolvent entities. The Companies experienced significant operating losses and did not have the financial resources to continue their business operations.

As previously noted, Richter was appointed Receiver of the Company. Prior to the bankruptcy, the realizable value of the Company's investments had been assessed through the receivership proceedings.

II. FINANCIAL INFORMATION

As previously indicated, the Company is a holding company and did not carry on active operations. There is no recent financial information available.

III. STATEMENT OF AFFAIRS

In accordance with the BIA, a Statement of Affairs showing the Bankrupt's assets and liabilities as at the date of bankruptcy (the "**Statement of Affairs**") was prepared and signed by the Trustee, in its capacity as Receiver, from the available books and records. The following summarizes the information contained in the Bankrupt's Statement of Affairs, which has not been validated by the Trustee.

A) Assets

The Statement of Affairs reflects no assets as at the date of bankruptcy.

The Company holds shares in Rotalec Canada and two other companies. Rotalec Canada is bankrupt and the two other companies are insolvent. Accordingly, no value has been attributed to these investments in the Statement of Affairs.

B) Liabilities

Based on the available information, we provide the following preliminary information regarding the estimated liabilities of the Debtor. The Bankrupt's liabilities as at the date of bankruptcy can only be determined once proofs of claim have been filed by creditors and reviewed by the Trustee.

- **Secured Creditor**

  According to the Statement of Affairs, TD Bank holds a secured claim in the amount of $2,627,299, which is the full amount owed by all of the Debtors, net of distributions received in the receivership, which is cross collateralized. However, because the Bankrupt has no remaining assets subject to TD Bank's security, the full amount of the claim is reflected as unsecured in the Statement of Affairs.

  According to the Statement of Affairs, BDC Capital Inc. holds a second-ranking secured claim in the amount of $433,000. However, because the Bankrupt has no remaining assets subject to BDC Capital Inc.'s security, the full amount of the claim is reflected as unsecured in the Statement of Affairs. The reported value includes secured indebtedness for which the Company is the guarantor.

During the receivership proceedings, the Receiver obtained a security opinion from its legal counsel Fasken Martineau DuMoulin S.E.N.C.R.L. with respect to the validity and enforceability of the TD Bank's security.

TD Bank has provided a guarantee in respect of the Trustee's fees and expenses in respect of the bankruptcy.

- **Preferred Creditors**

  The Trustee is not presently aware of any amounts owing to governmental authorities that would rank in priority to ordinary unsecured claims in the bankruptcy.

- **Unsecured Creditors**

  According to the Statement of Affairs, ordinary unsecured creditors total approximately $3.1 million, including the unsecured portion owed to the secured lenders. As of the date of this Report, the Trustee has not received sufficient proofs of claim to determine the actual amount owed to the ordinary unsecured creditors. Given that there are no assets available for distribution to ordinary unsecured creditors, the Trustee does not presently anticipate undertaking a claims adjudication process in respect of ordinary unsecured claims

IV. SUMMARY OF THE PRELIMINARY ADMINISTRATION

A) Books and Records

The Trustee has access to the available books and records previously obtained or reviewed them in connection with the receivership proceedings. The Trustee will retain such records, or arrange access to them, as required to complete the administration of the estate.

B) Security and Protective Measures

The Company was a holding company, did not occupy any premises and had no tangible assets. Accordingly, the Trustee was not required to take any security or protective measures.

C) Statutory Administration

- The Trustee obtained the certificate of appointment and opened the bankruptcy estate.
- The Trustee issued the notice of bankruptcy and first meeting of creditors and made the prescribed forms available to creditors.
- The Trustee will respond to creditor inquiries and perform the statutory administration required under the BIA.

D) Reviewable Transactions and Preferential Payments

The Trustee has not yet conducted a review of the Bankrupt's books and records with respect to potential preferential payments, transfers at undervalue or other reviewable transactions under the BIA. The Trustee, upon completion of the review, will discuss its findings with the Inspectors.

V. ANTICIPATED REALIZATION AND PROJECTED DISTRIBUTION

Based on the realizations completed during the receivership and the amounts owing to the secured creditor, the Trustee does not anticipate any distribution to preferred or ordinary unsecured creditors. Should any recoveries

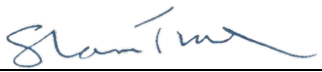
be identified, the Trustee will determine the entitlement to such recoveries having regard to the applicable security and priorities.

DATED AT MONTRÉAL, this 23rd day of October 2026.

RICHTER INC.
Licensed Insolvency Trustee



Andrew Adessky, CPA, CIRP, LIT
Administrator of the Bankruptcy



Shawn Travitsky, CPA, CIRP, LIT