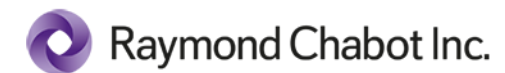




Executive Summary

Guzzo Group

January 2025



Guzzo Group | Company Overview



Company Description

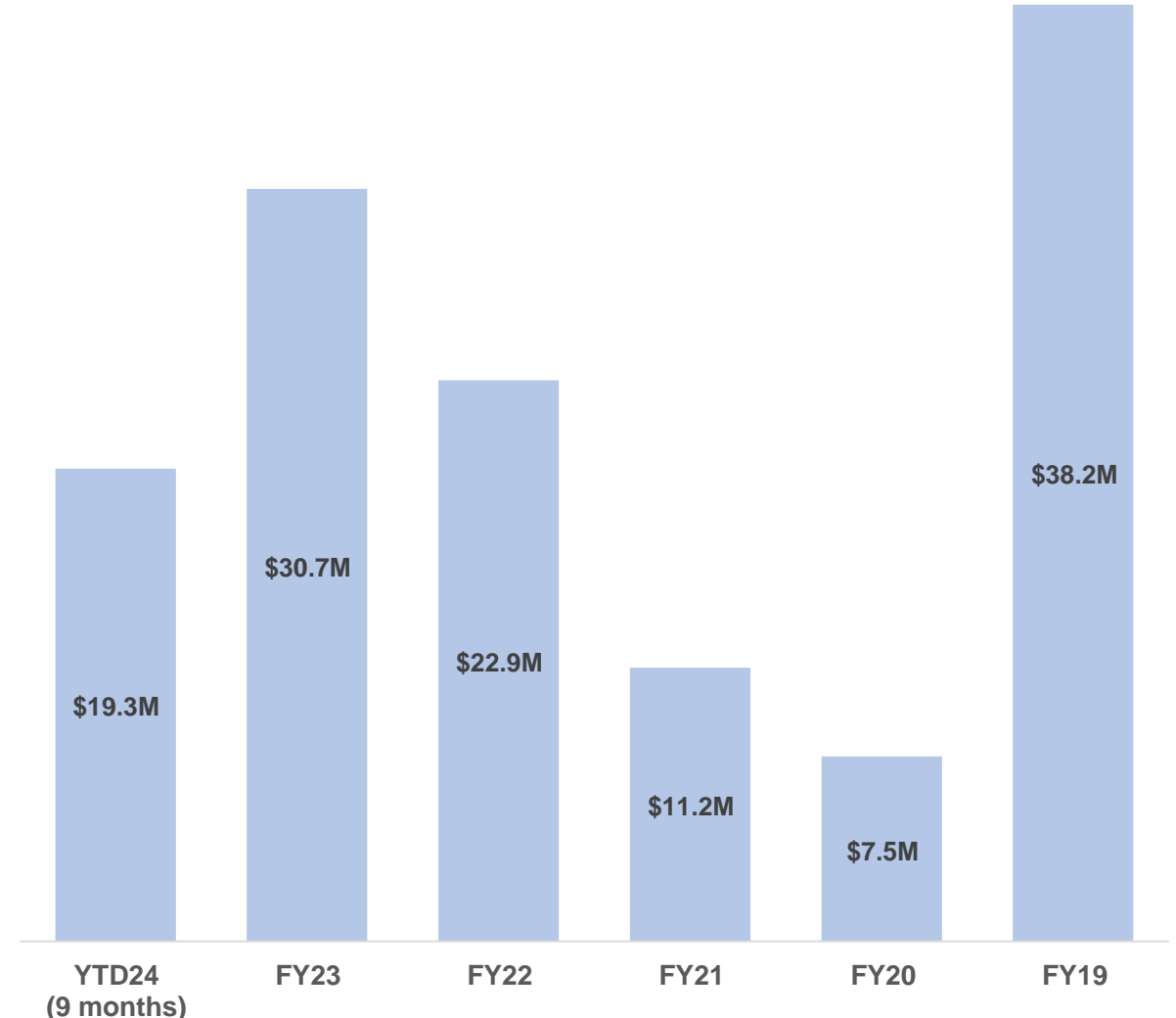
- Guzzo Group, based in Montreal, Quebec, is a well-known conglomerate, particularly for its network of motion picture theatres.
- Since 1990, Guzzo Group has expanded its operations, and today, its portfolio mainly consists of theatres, shopping malls, and vacant land.

Key Investment Highlights

- Guzzo Group operates **136 cinema screens across 9 theatres**, 3 of which are located on properties owned by Guzzo.
- Possibility to acquire **a significant share of the cinema market in Quebec**.
- The group has a substantial real estate portfolio in the Greater Montreal Area with **great potential for development or transformation**.
- An established brand with an existing customer base.

Theatre Revenue | FY19 – YTD24

(in millions of \$CAD, non audited)



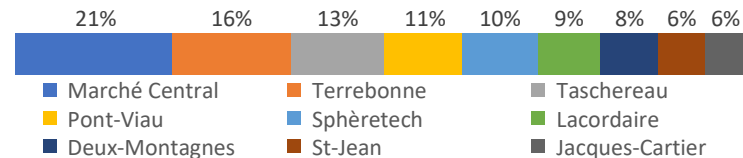
Business segments

Theatre

136 screens across the 9 following locations:

- Méga-Plex Marché Central IMAX – 18
- Méga-Plex Sphèretch – 14
- Méga-Plex Pont-Viau IMAX – 16
- Méga-Plex Deux-Montagnes IMAX – 14
- Méga-Plex St-Jean – 12
- Méga-Plex Lacordaire – 16
- Méga-Plex Jacques-Cartier – 14
- Méga-Plex Taschereau IMAX – 18
- Méga-Plex Terrebonne IMAX – 14

Revenue split by theatre | FY23 (\$30.7 M)



Real estate

- 2 commercial buildings
- Land of approximately 22 acres in Ste-Dorothee – Industrial and commercial zoning (1245-6)

Revenue by building | FY24 (\$5,6 M)

Location	Site area (sq. Lot)	Building area (sq. ft.)	Rental income Interco	Rental income External	Land roll
Buildings					
	4 314 208				
	4 314 209				
1035-1051 & 1055-1085 boulevard des Laurentides	4 714 864	933,792	193,800	\$1.2M	\$2.6M
	4 714 865				
	2 944 619				
	3 021 986				
5940 des Grandes Prairies	2 751 268	212,880	105,130	\$1.4M	\$0.3M
Land					
Ste-Dorothee	1 453 639	934,294	-	-	\$18.6M
	1 717 018				
	2,080,966	298,930	\$2.6M	\$2.9M	\$73.7M

Restaurant

Located in Méga-Plex Lacordaire, Guzzo Group is the owner of Pizzeria Giulietta.

Its assets mainly include:

- General kitchen equipment;
- Restaurant equipment;
- Pizza ovens;
- Various other furnishings.



Guzzo Group | Transaction

Raymond Chabot Inc.

All offers and all requests for information related to the assets must be addressed to Raymond Chabot in its capacity as Receiver of the assets.

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Summary of the Sale and Investment Solicitation Process

- On December 19, 2024, Raymond Chabot Inc. was appointed Receiver to certain assets of the Guzzo Group.
- Under this same order, the Court authorized the Receiver to put in place a sale and investment solicitation process (“SISP”) with regards to the majority of Guzzo Group’s assets.
- The SISP will begin on **January 15, 2025**. Access to the Dataroom will be given to potential buyers or investors after the execution of a **Non-Disclosure Agreement**. Please contact Philippe Daneau and Alexander Lee to obtain a copy of the Non-Disclosure Agreement. Their contact details appear in this document. The assets can be visited by appointment by communicating with Alexander Lee .
- In the first phase, letters of intent must be received by the Receiver **no later than February 21, 2025, at 3:00 PM (Montreal time)**, in accordance with the **Conditions and Reserves Related to the Sale of the Assets attached hereto**. **The letters of intent must be accompanied by the required deposit, as instructed in the Conditions and Reserves.**
- In the second phase, Bidders qualified by the Receiver **must submit their binding offers with as few conditions as possible :**
 - **No later than March 31, 2025 at 3:00 PM (Montreal time), for the Ste-Dorothée land only;**
 - **No later than April 23, 2025, at 3:00 PM (Montreal time), for all the other assets.**
- The targeted closing date is **May 30, 2025**, - subject to Court availability, for all assets. The Receiver reserves the right to interrupt or terminate the process at any time.
- The conditions set out in the document identified as Conditions and Reserves Related to the Sale of the Assets – Guzzo Group apply to all offers that will be submitted. It is the responsibility of the bidders to obtain a copy of this document.





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NOTICE

This document is confidential and must not be reproduced or distributed. The sole purpose of this document is to allow potential buyers or financial partners to evaluate their interest in pursuing a potential investment, and it must not be used for any other purpose. The information contained in this document has been provided to Raymond Chabot Inc. All eligible buyers and those requesting information must conduct their own due diligence and obtain proof of the accuracy of all such information themselves. While the utmost care has been taken in the preparation of this document and the information it contains, we hereby inform you that we accept no liability for any losses or damages, of any kind, that may arise in any way from reliance on this document and the information it contains.

CONDITIONS AND RESERVES RELATED TO THE SALE OF THE ASSETS – GUZZO GROUP

1. CALL FOR TENDERS

1.1 The Sale and Investment Solicitation Process the assets of Guzzo Group will proceed according to the following schedule:

- **February 21, 2025, at 3:00 PM (Montreal time):** Deadline to submit a non-binding letter of intent to the Receiver;
- **March 12, 2025:** Deadline for the Receiver to qualify the purchasers;
- **March 31, 2025, at 3:00 PM (Montreal time) :** Deadline for qualified purchasers to submit binding offers for the Ste-Dorothée land only;
- **April 23, 2025, at 3:00 PM (Montreal time):** Deadline for qualified purchasers to submit binding offers for all assets, excluding the Ste-Dorothée land;
- **May 30, 2025:** Deadline for the closing of transactions.

It is strongly suggested that potential purchasers conduct their due diligence, and any other preliminary steps related to the contemplated transaction as soon as possible in order to submit letters of intent with the fewest possible conditions.

- 1.2 The Receiver reserves the right to accept offers and proceed with the closing of transactions, subject to Court approval, before the deadlines indicated in paragraph 1.1.
- 1.3 The Receiver is not required to accept the highest tender nor any other tender whatsoever, and reserves the right to dispose of the assets in any other manner;
- 1.4 The Receiver reserves the right to cancel the tendering process at any time without reason and the Tenderer acknowledges that no indemnity may be claimed as a result of this decision.

2. DESCRIPTION OF ASSETS

- 2.1 The Tender covers the assets which are part of the lot(s) mentioned in the tender and as indicated in the inventory prepared by the Receiver (the “Assets”), and which were reviewed by the Tenderer (the “Inventory”);
- 2.2 The Tenderer acknowledges that the quantities stated in the Inventory may only be substantially accurate;
- 2.3 In the event that the Receiver is unable, for whatever reason, to deliver to the Tenderer the Assets or a significant portion thereof, the Receiver can cancel his acceptance of the Tender, which is then deemed never to have taken place;
- 2.4 **In the case of the sale of assets comprising stored information (on computers or otherwise), the Tenderer agrees to destroy any information relating to third parties;**
- 2.5 The Tenderer agrees not to request any adjustments to the amount tendered except where a significant variance exists between the quantity stated in the Inventory and the quantity that can be delivered to the Tenderer by the Receiver, subject to the rights of the Receiver under section 2.3;

In the event that the Receiver opts to adjust the amount tendered, the Tenderer shall agree that the adjustment be based on the value attributed to the Assets in the Inventory. The Tenderer recognize that this value cannot be used for other purposes and does not constitute the Receiver’s opinion as to the value of the Assets.

3. CONDITIONS AND RESERVES OF THE SALE

- 3.1 In the event that the Tenderer fails to comply with any of the obligations under the terms of the present agreement, he shall indemnify the Receiver for any damage incurred by him now or in the future as a result of the default, without prejudice to any other recourse legally granted to the Receiver;
- 3.2 When a tender is subject to a condition, the tender must state the amount of the tender if the condition is accepted by the Receiver, and the amount of the tender if the condition is not accepted. If the tender states a single amount, this amount shall be deemed to be the amount of the tender if the condition stated in the tender is not accepted by the Receiver;
- 3.3 The Receiver reserves the right to waive compliance with one or more conditions stated in the call for tenders or in this document of conditions and reserves related to the sale of Assets;

- 3.4 The Tenderer acknowledges that the Receiver makes no representations as to the Tenderer's potential liability as successor employer;
- 3.5 Submitting a tender shall constitute irrevocable acceptance by the Tenderer of all of the conditions and reserves of the sale stated in the call for tenders or in this document of conditions and reserves related to the sale of Assets.

4. INSPECTION OF THE ASSETS

- 4.1 The Tenderer hereby declares that he has inspected the Assets, and that he shall rely entirely on his examination and investigation thereof, that the Receiver shall not provide any guarantee as to the description, state or value of the Assets and that he waives all guarantees pertaining to the quality of the Assets;
- 4.2 The Tenderer recognizes that the Receiver did not comment on the compliance of the Assets, with standards of any kind (including environmental standards) in effect at any time with respect to the Assets, their disposal or utilization and waives the right to any claim whatsoever arising from the failure of the Assets to comply with such standards.

5. RECEIPT AND OPENING OF THE TENDERS

- 5.1 The Tender is made for the amount indicated in the Tender;
- 5.2 **Tenders must include a bank draft or a certified check deposit of a sum representing 15% of the total amount offered for movables and 5% of the total amount offered for immovables;**
- 5.3 Where the Tenderer withdraws his Tender during the 48-hour period prior to the time set for the receipt of the Tenders until he is notified of the results of the call for tenders, the Receiver shall retain the deposit that accompanied the Tender as liquidated damages;
- 5.4 **Combined tenders and tenders for more than one lot shall be itemized and indicate the price offered for each lot;**
- 5.5 **The Tenders must be submitted to the Receiver's offices in Montréal, by mail or by email, at the following coordinates:**

By mail / courier:

**Raymond Chabot Inc.
Attn : Dominic Deslandes, CPA, CA, CIRP, LIT
600, De La Gauchetière St. W.
Suite 2000
Montréal, QC H3B 4L8.**

By email:

Send to:

Deslandes.Dominic@rcgt.com

With copy to :

Daneau.Philippe@rcgt.com

Lee.Alexander@rcgt.com

It is the Tenderer's responsibility to ensure that his Tender has been received by the recipient within the stipulated delays.

6. ACCEPTANCE AND REFUSAL

- 6.1 In spite of any contrary indication set forth in the Tender, the Receiver shall be entitled to retain or reject any Tender until the expiry of **a reasonable period**;
- 6.2 In the event the Tender is retained, the Receiver shall notify the **retained Tenderer in writing by email, fax or mail** at the address indicated on the Tender. The Tenderer acknowledges and agrees that any bid accepted by the Receiver shall be submitted to the Court for approval;
- 6.3 **In the event the Tender is rejected:**
 - 6.3.1 **If the Receiver has received a deposit, written notice, by registered mail, together with the deposit without interest, shall be sent to the tenderers;**

6.3.2 For other tenderers, no notice shall be sent, but the Receiver's decision may be posted on the Receiver's website.

6.4 The fact that a deposit has been cashed may not be interpreted as acceptance of a tender;

7. SALE, OCCUPANCY AND DELIVERY

- 7.1 The taking possession shall take place at a time agreed to by the Receiver, in the presence of the Receiver, and shall be established by a receipt remitted by the Tenderer to the Receiver;
- 7.2 The Tenderer shall take possession of all Assets without exception. If some of the Assets contain or constitute contaminants or dangerous waste or products, the Tenderer shall dispose of them in compliance with the laws and regulations relating to their transportation and disposal;
- 7.3 The Receiver shall give the Tenderer access to the premises housing the Assets under the terms agreed upon by the Tenderer, who undertakes to preserve the cleanliness and safety of the premises
- 7.4 Pending an agreement between the two parties, the Tenderer shall occupy the premises in compliance with all related regulations and shall preserve the cleanliness and safety of the premises;
- 7.5 The Tenderer is responsible for any loss or deterioration related to the premises and assets located therein brought about by access to the premises by the Tenderer;
- 7.6 The Tenderer shall, upon request, reimburse the Receiver for any expenses incurred by him following the Tenderer's failure to take possession of the Assets within the prescribed time limit;
- 7.7 The Tenderer agrees that any amount payable to the Receiver under the present agreement shall bear interest at a rate of fifteen percent (15%) per year starting on the due date of such amount;
- 7.8 In the case of real estate, the usual adjustments, if any, in particular regarding taxes, insurance, rent and electricity, are carried out as of the signing date of the purchase offer;
- 7.9 The Receiver shall provide the Tenderer with only those documents in their possession relating to the name and description of the Assets;
- 7.10 To the amount offered in the Tender shall be added amounts, as applicable, relating to any tax, assessment, contribution and any right whatsoever, inherent or consequential to the acceptance of the purchase offer or to the transfer of ownership, as well as any fees and disbursements relating to the preparation and publication of a deed of sale (the "Price");
- 7.11 With respect to movables, the Price shall be paid in full prior to the taking possession of the Assets by means of a certified cheque or bank draft payable to the Receiver and remitted to him; With respect to immovables, the Price shall be paid in full during the signing of a deed of sale received by a notary selected by the Receiver, in a format and content acceptable to the Receiver; The Receiver may agree that the deposit included with the Tender reduce the Price by the same amount;
- 7.12 In the event the purchase offer is accepted, the sale shall take place without any guarantee from the Receiver, and at the Tenderer's own risk;
- 7.13 The Tenderer shall take possession of the Assets sold to him and remove them at his own expense upon payment of the Price or within any other time limit set by the Receiver;
- 7.14 Ownership of the Assets which are the subject of the purchase offer shall be transferred to the Tenderer only upon full payment of the sale price and issuance of the Certificate by the Receiver;**
- 7.15 If the Tenderer fails to take possession of the assets, he thereby authorizes the Receiver to cancel the acceptance of his purchase offer and to retain the deposit that accompanied the Tender as a penalty, the whole without prejudice to the Receiver's rights and recourses against a Tenderer who fails to take possession of the assets or otherwise refuses or omits to close the transaction.