

CANADA
PROVINCE OF QUÉBEC
DISTRICT OF MONTRÉAL

SUPERIOR COURT
Companies' Creditors Arrangement Act,
(R.S.C., c. C-36, as amended)

COURT NO.: 500-11-065011-245

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

ELNA MEDICAL GROUP INC. / GROUPE MÉDICAL ELNA INC.

-AND-

9508503 CANADA INC.

-AND-

OTHER ENTITIES LISTED IN SCHEDULE A HEREIN

Hereinafter collectively referred to as the “**Applicants**”

-AND-

RAYMOND CHABOT INC.

Hereinafter referred to as the “**Monitor**”

THIRD REPORT TO THE COURT SUBMITTED BY RAYMOND CHABOT INC.

To the Honourable Martin F. Sheehan, J.S.C., we respectfully submit this Third Report of the Monitor (the “**Third Report**”).

Signed in Montréal, on March 7, 2025

RAYMOND CHABOT INC.

Monitor


Benoit Fontaine, CPA, CIRP, LIT

1. INTRODUCTION

- 1.1. On December 10, 2024, the Applicants notified an *Application for an Initial Order, an Amended and Restated Initial Order, a SISP Approval Order and Other Ancillary Relief*, seeking a first day initial order and other relief.
- 1.2. On December 10, 2024, the Monitor issued its Pre-Filing Report.
- 1.3. On December 11, 2024, following the first day hearing, this Court issued an initial order (the “**Initial Order**”) providing for, *inter alia*, the following relief:
 - 1.3.1. declaring that the CCAA applies to the Applicants;
 - 1.3.2. staying all proceedings and remedies taken or that may be taken in respect of the Applicants, and any of their property, except as otherwise set forth in the Initial Order or as otherwise permitted by law (the “**Stay**”), for an initial period of ten days in accordance with the CCAA (the “**Stay Period**”);
 - 1.3.3. staying all civil proceedings and remedies taken or that might be taken in respect of Laurent Amram, and any of his property, with respect to: i) personal guarantees granted on debts of the Applicants, and ii) personal loans whose proceeds were totally invested in the Applicants (the “**Amram Stay**”);
 - 1.3.4. appointing Raymond Chabot Inc. as the Monitor of the Applicants in these proceedings, with the powers provided for in the Initial Order;
 - 1.3.5. ordering the procedural consolidation of the CCAA proceedings in respect of each of the Applicants, for administrative purposes only;
 - 1.3.6. granting the Administration Charge in the amount of \$750K;
 - 1.3.7. granting a D&O Charge in the amount of \$725K;
 - 1.3.8. authorizing the engagement of Crowe BGK LLP (Mr. Patrick Ifergan) to act as the Chief Financial Office (the “**CFO**”);
 - 1.3.9. authorizing National Bank of Canada (“**NBC**”) to provide the DIP Facility to the Applicants and granting a DIP Charge in the amount of \$1.2M in relation thereto;
 - 1.3.10. authorizing the Applicants, with the consent of the Monitor, and in accordance with agreements in effect with certain secured creditors, to convey, assign, lease or in any other manner dispose of property, outside the normal course of business, in whole or in part, provided that the price in each case and in the aggregate does not exceed \$300K;
 - 1.3.11. authorizing the Applicants to pay, with the consent of the Monitor, any pre filing unpaid claims of suppliers it deems critical, up to an aggregate amount of \$300K;
 - 1.3.12. authorizing the Applicants to establish the Medicentres Retention Plan (“**MRP**”) and granting the related MRP Charge in the amount of \$3.0M;

- 1.3.13. the scheduling of a comeback hearing for December 17, 2024 (the “**Comeback Hearing**”); and
- 1.3.14. ordering the sealing of certain confidential exhibits supporting this Application and Schedule C of the Pre-Filing Report.
- 1.4. On December 11, 2024, the Court also issued the *SISP Approval Order*, along with the appended *Bidding Procedures*.
- 1.5. On December 16, 2024, the Applicants notified an *Amended Application for an Initial Order, an Amended and Restated Initial Order, a SISP Approval Order and Other Ancillary Relief* (the “**Application for an ARIO**”), seeking *inter alia*, at the Comeback Hearing, the following additional relief as part of the proposed Amended and Restated Initial Order (the “**ARIO**”):
- 1.6. On December 16, 2024, the Monitor issued its First Report.
- 1.7. On December 17, 2024, the Court issued an Amended and Restated Initial Order (the “**ARIO**”), which provides, amongst other things, the following:
 - 1.7.1. an extension the Stay Period until February 12, 2025;
 - 1.7.2. an extension and an expansion of the Amram Stay until February 12, 2025;
 - 1.7.3. the authorization for the Applicants, with the consent of the Monitor, to convey, assign, lease or in any other manner dispose of property, outside the normal course of business, in whole or in part, provided that the price in each case does not exceed \$500,000 individually and \$1,500,000 in the aggregate;
 - 1.7.4. an increase of certain CCAA Charges, namely the Administration Charge (up to \$1.0M), the DIP Charge (up to \$6.0M) and the D&O Charge (up to \$1.6M);
 - 1.7.5. the addition of Gestion Privamed Inc. as an Applicant to these proceedings; and
 - 1.7.6. the establishment of a Medicentres Key Employee Retention Plan (the “**Medicentres KERP**”) and a KERP Charge (in the amount of \$250K);
- 1.8. On January 7, 2025, Mr. Brandon Shiller notified an *Application for Leave to Appeal* of the ARIO , particularly in respect of the Amram Stay, as well as a *Notice of Appeal* (the “**Shiller Leave to Appeal**”).
- 1.9. The Shiller Leave to Appeal was heard on January 16, 2025, and was dismissed by the Quebec Court of Appeal on the same day, with costs.
- 1.10. On February 7, 2025, the Applicants notified the *Application for a Second Amended and Restated Initial Order* (the “**Application for a Second ARIO**”), seeking, *inter alia* the (i) issuance of a stay extension up to and until March 19, 2025, (ii) the approval of the ELNA Key Employee Retention Plan (the “**ELNA KERP**”) and the related ELNA KERP Charge, and (iii) certain sealing provisions relating essentially to confidential information relating to the SISP.

- 1.11. On February 10, 2025, the Monitor issued its Second Report.
- 1.12. On February 12, 2025, the Court issued the Second Amended and Restated Initial Order (the “**Second ARIO**”), pursuant to which, *inter alia*, it (i) extended the Stay Period up to and until March 10, 2025, (ii) approved the ELNA KERP and the ELNA KERP Charge, as well as (iii) ordered certain ancillary conclusions relating to intercompany payments and to CFO Powers (as defined therein).
- 1.13. The Second ARIO does not extend the Amram Stay. Indeed, the Applicants had informed the Monitor that such an extension would not be sought, and the Monitor was informed that Amram filed a notice of intention to make a proposal pursuant to the *Bankruptcy and Insolvency Act* on February 11, 2025, with the view of making a proposal to his creditors in due time
- 1.14. On February 27, 2025, the Monitor notified the service list the *Notice of Extension of Certain SISP Deadlines* (the “**SISP Extension Notice**”), which was also posted in the VDR for Potential Bidders in Phase 2 of the SISP and as provided by email to them, as well as posted on the Monitor’s website. The SISP Extension Notice is presented at **Schedule B**.
- 1.15. On March 5, 2025, the Applicants notified the *Application for a Third Amended and Restated Initial Order* (the “**Application**”), seeking, *inter alia* the (i) issuance of a stay extension up to and until April 25, 2025, and the (ii) increase of the DIP Facility and the DIP Charge.
- 1.16. This Third Report is intended to provide an update on the file since the issuance of the Second Report, as well as the Monitor’s recommendations in relation to the relief sought in the Application. This Third Report is comprised of the following sections:
- Section 2: Activities of the Monitor since the Second Report;
 - Section 3: Restructuring Measures and Updates Regarding the Operations of the Applicants Since the Second Report;
 - Section 4: Update on the Sale and Investment Solicitation Process and Extension of Certain SISP Deadlines;
 - Section 5: Communications with Various Stakeholders;
 - Section 6: Change in Cash Position;
 - Section 7: DIP Facility and DIP Charge;
 - Section 8: Intercompany Transactions;
 - Section 9: Projected Cash-Flow;
 - Section 10: Matters Relating to Non-Applicant Entities;
 - Section 11: Notice of the Monitor further to the Second ARIO;
 - Section 12: Extension Sought; and
 - Section 13: Conclusions and Recommendations.
- 1.17. Capitalized terms not otherwise defined herein shall have the meaning ascribed to them in the previous reports.

2. ACTIVITIES OF THE MONITOR SINCE THE SECOND REPORT

- 2.1. Since the Second Report, the Monitor posted additional documents regarding the CCAA Proceedings on its website at <https://www.raymondchabot.com/en/companies/public-records/groupe-elna/> (the “**Monitor’s Website**”). Such documents include notably the following:
 - 2.1.1. Application for a Second ARIO;
 - 2.1.2. Second Report;
 - 2.1.3. Second ARIO and Second ARIO Reasons;
 - 2.1.4. Notice of the Monitor further to the Second ARIO;
 - 2.1.5. Hearing Minutes (procès-verbal) for the February 12, 2025 hearing;
 - 2.1.6. SISP Extension Notice; and
 - 2.1.7. Service List, as updated from time to time;
- 2.2. The Monitor has continued to supervise receipts and disbursements on a daily basis, including reviewing the lists of payments to be made by the different financial controllers for the various Applicants.
- 2.3. As more fully detailed herein, the Monitor assisted the Applicants in multiple operations and/or restructuring related matters, including *inter alia*: (i) communications with landlords, (ii) communications with creditors/suppliers, (iii) communications with various groups of physicians, (iv) communications with participants in the SISP, (v) communications with Santé Québec and the CIUSSS de l’Ouest-de-l’Île-de-Montréal (the “**CIUSS Ouest**”), (vi) drawdowns and collections of DIP financing, (vii) intercompany advances and payments, including communicating a formal protocol to relevant employees, and (viii) reporting to NBC, as interim lender, in accordance with the Applicants’ obligations under the NBC forbearance agreement and the interim financing agreement, including weekly reporting on the finances and operations of the Applicants.
- 2.4. The Monitor also assisted Management in the preparation and transmission of financial information to the Financial Advisor for the SISP and continued to supervise the conduct of the SISP, in accordance with the SISP Procedures.
- 2.5. The Monitor also participated in twice-weekly calls with Management and its counsel, in which ongoing restructuring topics are monitored and discussed, as well as weekly calls with Santé Québec and CIUSSS Ouest.

3. RESTRUCTURING MEASURES AND UPDATES REGARDING THE OPERATIONS OF THE APPLICANTS SINCE THE SECOND REPORT

- 3.1. The Applicants continued to manage the cash flow and financial situation closely, with the assistance of the Monitor and in consultation with NBC.
- 3.2. The Applicants, with the assistance of the Monitor, also continued certain negotiations with landlords in relation to current lease expenses and obligations for certain clinics.
- 3.3. Management has also been heavily involved in compiling and providing information to be shared with Phase 2 Qualified Bidders as part of the ongoing SISP, as well as assisting the Financial Advisor and the Monitor in answering various queries relating thereto, in the context of the ongoing Phase 2 of the SISP.
- 3.4. In light of the ongoing SISP, and in consultation with NBC, the implementation of additional restructuring measures are currently on hold and under review.

4. UPDATE ON THE SALE AND INVESTMENT SOLICITATION PROCESS AND EXTENSION OF CERTAIN SISP DEADLINES

- 4.1. As indicated in the Second Report, the summary of Phase 1 is as follows:
 - 4.1.1. Solicitation packages were sent 258 prospective parties. 137 of these parties were part of the initial group that received the solicitation letter on or around December 13, 2024, whereas 121 additional prospective parties were solicited over the following weeks;
 - 4.1.2. 103 parties executed NDAs; and
 - 4.1.3. By 5:00 p.m., on January 31, 2025 (the Phase 1 deadline for bids), the Financial Advisor received LOIs from 45 parties (a few of these parties having submitted multiple LOIs).
- 4.2. On February 7, 2025, the Financial Advisor advised a material number of parties that they were each deemed to be Phase 2 Qualified Bidders and provided them with a process letter reminding them of the applicable Bidding Procedures as they relate to Phase 2 and advising that all Binding Offers must include an authorization that they be shared confidentially with NBC and its counsel, in order to avoid any further delays. All such parties were also granted access to the Phase 2 VDR.
- 4.3. On February 7, 2025, the Financial Advisor also sent a letter to each party who was not retained to participate in Phase 2 of the SISP to advise that they had not been selected to participate in Phase 2 of the SISP.
- 4.4. The LOIs of the Phase 2 Qualified Bidders, including the one from Laurent Amram and from other financial or strategic bidders, contemplate through one or more transactions (as the case may be) the continuation of the business of all of the Applicants, the whole in the interest of all

stakeholders, including namely the employees, the doctors and the patients being served by the Applicants in all of the regions and provinces where the Applicants operate.

- 4.5. Since the Second Report and the completion of Phase 1 of the SISP, Management, the Financial Advisor and the Monitor worked intensively to respond to numerous due diligence requests, which includes providing documentation to Phase 2 Qualified Bidders and conducting site visits, as the case may be.
- 4.6. Over the last weeks, given the (i) high level of interest, (ii) number of Phase 2 Qualified Bidders, (iii) number of entities and business segments, (iv) volume of due diligence requests, and the (iv) very short timeframe initially contemplated, the Financial Advisor and/or the Monitor received numerous requests to extend the SISP deadline from Phase 2 Qualified Bidders in order to provide binding proposals.
- 4.7. In light of these requests, and keeping in mind the paramount objectives of maximizing value for stakeholders and attempting to conclude one or more going concern transaction(s), the Financial Advisor recommended that the Phase 2 Bid Deadline of March 7, 2025, be extended. This recommendation, supported by the Monitor, was brought to the attention of NBC, as interim lender and secured creditor, given especially that an extension would have an impact on the cash flow requirements of the Applicants and on the DIP Facility currently in place.
- 4.8. After analysis and review, and subject to certain conditions which are reflected in the Application and the proposed order, NBC has agreed to the extension of the remaining SISP deadlines, as set out in the SISP Extension Notice, as well as an amended DIP Facility and DIP Charge, both sought for approval.
- 4.9. The remaining steps of the SISP, as per the SISP Order and Bidding Procedures, and as amended and indicated in SISP Extension Notice are consequently as follows:

	Initial	Amended
1. Phase 2 Bid Deadline & Qualified Bidders Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 20 of the Bidding Procedures)	By no later than March 7, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than <u>March 21</u> , 2025, at 5:00 p.m. (prevailing Eastern Time)
2. Auction(s) Auction(s) (if needed)	Weeks of March 10, 2025 and March 17, 2025	Weeks of <u>March 24</u> , 2025 and <u>March 31</u> , 2025
3. Selection of final Successful Bid(s) Deadline for selection of final Successful Bid(s)	By no later than March 21, 2025, at 5:00 p.m. (prevailing Eastern Time)	By no later than <u>April 4</u> , 2025, at 5:00 p.m. (prevailing Eastern Time)

<p>4. <u>Definitive documentation</u> Completion of definitive documentation in respect of Successful Bid(s)</p>	<p>Week of March 24, 2025</p>	<p>Week of <u>April 14</u>, 2025</p>
<p>5. <u>Approval Application – Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)</p>	<p>Week of March 24, 202</p>	<p>Week of <u>April 14</u>, 2025</p>
<p>6. <u>Closing – Successful Bid(s)</u> Anticipated closing of Successful Bid(s)</p>	<p>Week of March 31, 2025</p>	<p>Week of <u>April 21</u>, 2025</p>

4.10. The requested extension as sought by the Application is necessary in order to continue the SISP, in view of concluding one or more transaction(s) in the interest of the stakeholders. It is expected that the steps provided for in the SISP will be completed during the proposed extended Stay Period.

5. COMMUNICATIONS WITH VARIOUS STAKEHOLDERS

Communications with doctors

- 5.1. Since the Second Report, the Applicants and the Monitor continued to have regular exchanges and discussions with these physicians, in order notably to alleviate certain concerns relating to (i) the MRP approved by the Court as part of the Initial Order and ARIO, and (ii) assurances in respect to payments to be made to the Medicentres doctors.
- 5.2. Furthermore, these efforts are also aimed at fostering maximum retention of these physicians, in view of preserving value while the SISP is ongoing.
- 5.3. Generally, the retention of doctors remains positive across all business segments, and there are no significant issues to report since the Second Report.

Billing practices

- 5.4. Since the Second Report, Medicentres and the Monitor have been involved in discussions with various groups of Medicentres doctors in respect to past and future billing practices.
- 5.5. At the time of the Third Report, there are no significant issues to report in terms of current billing practices with Medicentres physicians.

Elna Clinics

- 5.6. The Applicants and the Monitor continue to have certain discussions with physicians practicing in Elna clinics, notably to answer questions relating to the SISP and the impact on ongoing operations.

- 5.7. Information was provided as necessary to alleviate certain concerns, in view of fostering retention and minimizing impact on the value of these assets.

Communications with certain landlords

- 5.8. Since the Second Report, the Applicants, with the assistance of the Monitor, have held various discussions with landlords in respect of certain lease obligations, as well as questions arising from the SISP. In particular, the Monitor notes the following:

- 5.8.1. Clinique Métro-Medic Centre-Ville Inc. (« **Metro-Medic** »);

5.8.1.1. On December 12, 2024, Metro-Medic received a termination notice from landlord Canderel, in respect of the premises located at 2020 Robert-Bourassa Boulevard, in Montreal. Following receipt of this notice, the Applicants and the Monitor contacted the landlord's counsel (who confirmed that the landlord was not aware of the issuance of the Initial Order when the notice was sent), to advise of the provisions of the Initial Order preventing termination and to attempt to come to an agreement for the ongoing temporary occupation of the premises.

5.8.1.2. An agreement is still currently being negotiated and is expected to be concluded soon.

- 5.8.2. Société en commandite centre commercial Carré Décarie Inc.:

5.8.2.1. The Monitor's counsel has had communications with this landlord's counsel for several matters relating to such leases and has received documents and information relating to the agreements with this landlord that will be analyzed, especially depending on the structure and parameters of the relevant transaction(s) following the conclusion of the SISP.

Communications with Health Authorities

- 5.9. Since the issuance of the Second Report, weekly calls, which have been held since January 8, 2025, have continued between Santé Québec, the CIUSSS Ouest and their legal counsel, the Monitor and its legal counsel, Management and legal counsel to the Applicants, in order to provide regular updates on the situation of the Quebec clinics.

- 5.10. Institut national de santé publique du Québec (« **INSPQ** »):

5.10.1. On January 24, 2025, a representative of the INSPQ communicated with the Monitor, enquiring about the status and effect of the insolvency proceedings.

5.10.2. On February 24, 2025, after several discussions between representatives of the Monitor and the INSPQ, a formal email communication was sent by the Monitor's legal counsel, in response to the INSPQ's enquiry, in order to provide an update on the status of the restructuring proceedings, generally, and of the SISP which includes the assets and

activities of CDL. It also provided explanations to the INSPQ that the CCAA proceedings are not a bankruptcy and that CDL's operations remain ongoing, and that the objective is to conclude a going concern transaction regarding this entity.

Communications with certain SISP participants

- 5.11. Since the Second Report, the Monitor has been made aware of limited alleged instances where participants in the SISP may have contravened to certain provisions of their NDA relating to the confidentiality and restricted purpose of the confidential information shared as part of the SISP.
- 5.12. In all such cases, the Monitor has sent a formal demand letter to such parties, and these matters since appear resolved or not requiring supplementary actions to be taken in the near future.
- 5.13. In one instance, a Phase 1 Bidder which was not selected for Phase 2, communicated with the Monitor in order to have this decision reconsidered. After discussion with said party, the Monitor maintained its position and provided a written justification for same.
- 5.14. Nevertheless, said party communicated directly with the Court, unbeknownst to the Monitor. The Monitor was made aware of such correspondence and provided a detailed answer to this bidder, in relation to the various points raised in these exchanges, most of which were detailed by the Monitor in previous reports.

Communications with other parties

- 5.15. Cyber-insurance policy – ELNA Medical Group Inc.
- 5.15.1. Over the last weeks, Management and the Monitor have received several requests from their insurance broker regarding its claim for the payment of pre-filing amounts totaling approximately \$85k.
- 5.15.2. On February 25, 2025, despite being advised that these amounts could not be paid given the provisions of the Second ARIO and of the CCAA, as well as current cash constraints of the Applicants, the insurance broker sent a notice advising management that, if all premiums were not paid by March 3, 2025, the insurance company would terminate coverage.
- 5.15.3. On February 27, 2025, Monitor's counsel sent a formal notice to the insurance broker (i) advising of the provisions of the Second ARIO precluding the termination of agreements on account of pre-filing amounts owed, and (ii) requesting the withdrawal of the termination notice by the next day.
- 5.15.4. On March 3, 2025, given the absence of response, Monitor's counsel followed up with the insurance broker and advised that it a petition would need to be filed with the Court if the Second ARIO was not complied with, as the termination would be in breach of the Second ARIO. To this date, no answer has been provided to the Monitor.

6. CHANGE IN CASH POSITION

- 6.1. Since the Second Report, the Monitor continued to supervise the business, operations and financial situation of the Applicants on a daily basis, and obtained all the necessary collaboration from the Applicants, Management and the CFO.
- 6.2. Furthermore, the financial situation and change in cash position is reviewed and communicated weekly to the interim lender and its counsel, as part of the reporting obligations under the interim facility.
- 6.3. The Monitor's analysis essentially consists of enquiries, analytical procedures and discussions related to information supplied by Management. This work does not constitute an audit or review of the financial statements in accordance with generally accepted auditing standards established by CPA Canada or by the American Institute of Certified Public Accountants (AICPA). No audit work has been carried out by the Monitor and, consequently, it does not express an opinion on these financial statements or hypotheses.
- 6.4. Below is a comparison of actual and projected changes in cash position for the four-week period ended February 28, 2025:

(In thousands of \$)	As at February 28, 2025 (4 weeks)		
	Actual	Budget	Variances
Receipts			
Opening AR and Subsequent sales	8,300	8,150	150
Evalumedic - Dividends	-	60	(60)
DIP Drawdown	600	600	(0)
M-Health - Line of credit Drawdown / (Reimbursement)	(140)	-	(140)
Sales taxes	-	130	(130)
	8,759	8,940	(181)
Disbursements			
Subsequent purchases			
Laboratory direct costs, medical supplies, office furnitures and other expenses	1,938	1,904	(34)
Physicians - Medicentres and m-Health	3,245	3,236	(9)
Salary and social benefits	2,542	2,526	(16)
Rent	855	1,003	148
Restructuring professional fees (pre-filing and post-filing) and M&A fees	937	1,900	963
Contingency reserve	(226)	(122)	104
NBC - M-Health loan - Interests	87	88	1
Obligation under capital leases	21	39	18
Bank fees and interest on DIP facility	159	248	90
Sales taxes	-	197	197
	9,558	11,019	1,461
(Decrease) / Increase in cash	(798)	(2,079)	1,281
Cash - Opening balance	3,186	3,186	(0)
Cash - Ending balance	2,387	1,107	1,281

- 6.5. As at February 28, 2025, cash totaled \$2.4 million, \$1.3 million more than forecasted, mostly due to timing differences related to disbursements. The main variances can be summarized as follows:

Receipts

- 6.5.1. Opening AR and Subsequent sales - \$150,000 (2%) higher than forecasted: slightly higher services rendered by the clinics of the group.
- 6.5.2. Sales taxes: \$130,000 lower than forecasted: no collection given that, for administrative reasons, sales tax returns for the head office have not yet been submitted. December and January assessments should be filed by March 14, 2025.

Disbursements

- 6.5.3. Rent: \$148,000 lower than forecasted: Brunswick rent payment was issued late as management needed to reconcile transactions to determine the net amount due whereas Metro-Medic rent has not yet been paid given that the temporary lease is still being negotiated as mentioned in the previous section.
- 6.5.4. Restructuring professional fees (pre-filing and post-filing) and M&A fees - \$ 963,000 lower than forecasted: timing difference as accruals, including invoices and work in progress balance of all professionals, totaled \$916,000 million as at February 28, 2025.
- 6.5.5. Sales taxes - \$197,000 lower than forecasted: as mentioned above, for administrative reasons, sales taxes assessments are still being prepared and will be filed before March 14, 2025.

7. DIP FACILITY AND DIP CHARGE

- 7.1. In accordance with the ARIO, the Court authorized interim financing in an amount not exceeding \$5.0 million.
- 7.2. Since the issuance of the Initial Order and as at the date of this Third Report, six drawdown request certificates totaling \$5.0 million were issued by the Applicants. The requested amounts were disbursed by the interim lender, on December 13, 24 and 30, 2024, January 31, 2025, February 24, 2025 and March 4, 2025.
- 7.3. Information pertaining to additional required interim financing funding is presented in the updated cash-flow forecast.
- 7.4. Given the proposed extended Stay Period and the remaining SISP deadlines (as amended pursuant to the SISP Extension Notice), additional interim funding of \$1.5 million is required, as presented in section 9.
- 7.5. As detailed in the Application, NBC has agreed to increase the amount of the DIP Facility up to an amount of \$6.5 million, which is expected to be sufficient to allow for the continuation of operations during the proposed Stay Period.

- 7.6. Given the increase in the DIP Facility which is sought by the Application, a correlative increase of the DIP Charge is also required, up to the amount of \$7.8 million (being \$6.5 million + 20%).
- 7.7. The Monitor is supportive of the relief sought in relation to the DIP Facility and DIP Charge, which are essential to the continuation of the SISP and the restructuring of the Applicants' businesses.

8. INTERCOMPANY TRANSACTIONS

- 8.1. In the Second Report, the Monitor described the mechanism put in place in relation to intercompany transactions since the issuance of the ARIO. The Monitor also indicated that it was preparing a formal protocol to be communicated to employees.
- 8.2. In order to ensure that all employees and financial controllers have the clarity needed to process the Intercompany Transactions in accordance with the provisions of the Second ARIO, the Monitor confirms it has prepared a clear and concise protocol, which was communicated to such employees on February 25, 2025, and which is presented at **Schedule C**.
- 8.3. A summary of Intercompany Transactions is also presented at **Schedule D**.

9. PROJECTED CASH FLOW

- 9.1. Management, with the assistance of the Monitor, prepared a projected cash flow statement, which is summarized in the table presented below.

(in thousands of \$)	Week 1 3/7/2025	Week 2 3/14/2025	Week 3 3/21/2025	Week 4 3/28/2025	Week 5 4/4/2025	Week 6 4/11/2025	Week 7 4/18/2025	Week 8 4/25/2025	Total
Receipts									
Opening AR and Subsequent sales	1,489	2,993	1,688	1,393	1,395	1,398	3,073	1,593	15,021
GMF subsidy	-	-	-	-	-	-	384	-	384
Evaluemedic - Dividends	60	-	60	-	-	-	60	-	180
DIP Drawdown	600	-	-	1,000	500	-	-	-	2,100
M-Health - Line of credit Drawdown	50	-	-	200	250	-	-	-	500
	2,199	2,993	1,748	2,593	2,145	1,398	3,517	1,593	18,185
Disbursements									
Purchases									
Direct costs - Laboratory	84	84	84	84	84	84	84	84	672
Physicians (Medicentres)	608	1,016	746	786	596	536	1,076	686	6,047
Salary and social benefits	447	781	362	805	433	784	362	812	4,787
Professional fees	8	8	8	8	8	8	8	8	67
Rent	766	29	16	245	636	49	-	16	1,756
Office furnitures	77	55	55	55	55	55	55	55	462
Medical supplies	97	52	72	47	151	52	72	47	590
Others	241	295	306	212	186	230	179	212	1,860
Restructuring and M&A professional fees (post-filing)	1,165	214	208	208	208	231	231	231	2,694
Contingency reserve	26	26	26	-	-	-	-	-	78
NBC - M-Health loan - Interests	-	-	-	88	-	-	-	-	88
Obligation under capital leases	4	1	1	2	4	5	1	1	18
Interest and bank fees (including DIP)	96	0	20	101	0	0	20	3	243
Sales taxes	197	-	-	-	99	-	-	-	296
	3,817	2,560	1,904	2,641	2,460	2,034	2,088	2,155	19,658
Decrease (Increase) in cash / bank advances	(1,619)	433	(156)	(48)	(315)	(636)	1,429	(562)	(1,473)
Cash (Bank advances) - Opening balance	2,387	768	1,201	1,045	998	683	47	1,476	2,387
Cash - Ending balance	768	1,201	1,045	998	683	47	1,476	914	914

- 9.2. These projections have been prepared based on assumptions which reflect the approach expected to be taken by Management, given the financial and economic conditions and hypotheses which, in the opinion of Management are reasonable and expected. The projected cash flow is also based on recent average weekly receipts and disbursements and reflects no additional restructuring measures.
- 9.3. The Monitor's involvement was limited to presenting, in the form of a projected cash flow statement, information provided by Management and evaluating the support for the assumptions or other information underlying the forecast. Given that these projections are based on assumptions regarding future events, actual results will vary from the information presented and the variances may be material.
- 9.4. In order to be conservative and due to the recent delays to file December and January sales tax returns, no sales tax receipts are included in cash flow. The Applicants and/or the Monitor will follow also up with tax authorities in respect of disbursements of sales tax returns and the Monitor will report further in due time and advise if further action is required.
- 9.5. The GMF subsidy collected during the period is based on last year's subsidy, adjusted to consider the current number of healthcare professionals. The Monitor understands that the collection of this amount is subject to governmental approval.
- 9.6. Considering the above, additional interim financing is required in the amount of \$1.5 million during the proposed Stay Period.

10. MATTERS RELATING TO NON-APPLICANT ENTITIES SINCE THE ISSUANCE OF THE SECOND REPORT

10.1. Gestion Elna Pierrefonds Inc.:

- 10.1.1. As indicated in the Second Report, this non-applicant entity no longer has any significant operations, but owns an immovable property which is secured in favor of Banque Laurentienne du Canada ("**BLC**") and certain subordinate creditors (the "**Pierrefonds Immovable**"), some of which having announced and/or begun enforcement measures.
- 10.1.2. As previously mentioned, an appraisal had been conducted for the Pierrefonds Immovable in 2018, which would suggest that a sale would not yield any equity to the Applicants.
- 10.1.3. A summary opinion was requested by the Monitor several weeks ago in order to confirm potential values and determine next steps, which was received on February 28, 2025. The Monitor has shared this summary opinion letter with counsel to the Applicants for review and will report further in due time.

10.2. Transition Service Agreements with EMG:

- 10.2.1. As reported in the Second Report and given that Elna Medical Group Inc. (“**EMG**”), an Applicant entity, renders services to certain related non-Applicant entities, such as Groupe Santé Brunswick Inc. (“**Brunswick**”), Groupe Santé Physimed Inc. and La Cité Médicale Inc., the Applicants and the Monitor required the signature of transition services agreements in respect of said non-applicant entities to govern the provision of certain accounting, financial, IT, and human resources services to these clients. Alternatively, the Applicants would terminate these services upon providing notice to the relevant parties.
- 10.2.2. The TSA agreement with Groupe Santé Physimed is still in negotiation, which would provide for a permanent transition of services from EMG to Groupe Santé Physimed.
- 10.2.3. For La Cité Médicale Inc., no TSA is expected to be signed given the very limited scope of the services which are in the end rendered, which would simply be invoiced by EMG.
- 10.2.4. With respect of Groupe Santé Brunswick and in light of the receivership proceedings which were recently initiated, a brief update is provided below.

10.3. Brunswick receivership proceedings:

- 10.3.1. On February 19, 2025, Business Development Bank of Canada and the Toronto-Dominion Bank notified in Court file number 500-11-065293-256 an application for the appointment of a receiver to the assets of Brunswick, a non-applicant entity, which was returnable initially on February 26, 2025, and then on February 28, 2025. It appears that this application has now been further postponed to March 11, 2025.
- 10.3.2. On February 27, 2025, the Applicants sent a seven-day termination notice to Brunswick in relation to the services rendered by EMG, as provided by the TSA. This notice was considered necessary by Management, in consultation with the Monitor, in order to ensure that the Applicants preserve their focus on their restructuring proceedings and not be distracted by the receivership proceedings of Brunswick, and also namely to avoid any argument that any stay of proceedings pronounced as part of the receivership proceedings would prevent the Applicants to terminate the TSA.
- 10.3.3. Notwithstanding the issuance of said notice, communications are ongoing between Management, the Monitor and Brunswick management and the proposed receiver in that respect, either to contemplate (i) the negotiation of a TSA, or (ii) the termination and transition of these services to Brunswick or the proposed receiver.

11. NOTICE OF THE MONITOR FURTHER TO THE SECOND ARIO

- 11.1. On February 12, 2025, the Court issued its reasons in support of the Second ARIO (the “**Second ARIO Reasons**”), whereby it invited the relevant parties to reflect on the situation pertaining to a potential conflict of interest.

- 11.2. On February 13, 2025, following the reading of the Second ARIO Reasons and the reflection suggested by the Court, the Monitor advised McCarthy that any separate team or teams (if any) who advise a Potential Bidder as part of the Bidding Procedures should cease such mandate.
- 11.3. The Monitor took this position given namely the Second ARIO Reasons, and in light of the potential distractions, delays and costs that could result from continuing mandates of separate McCarthy teams for Potential Bidders, if any, in a context where the focus of the parties must be on the restructuring of the businesses of the ELNA group, including via the continuation of the SISP to complete one or more transactions that would allow for the continuation of the businesses and the maximization of the creditors' recovery, in the best interest of all ELNA group's stakeholders.
- 11.4. On February 14, 2025, the Monitor issued the "Notice of the Monitor Raymond Chabot Inc. Further to Reasons for the Second Amended & Restated Initial Order", which was notified to the service list and made available to Phase 2 Bidders on the VDR. A copy of such notice is presented at **Schedule E**.
- 11.5. The Monitor has also sought and obtained confirmation that any mandates of separate team or teams of McCarthy for a Potential Bidder have ceased, in the days following February 13, 2025.

12. EXTENSION SOUGHT

- 12.1. Considering the ongoing Phase 2 of the SISP in light of the results of Phase 1 of the SISP, and that further restructuring measures may need to be put in place, an extension of the Stay Period up to and including April 25, 2025 is required, in order notably to:
- 12.1.1. Maintain the going concern of the Applicants;
 - 12.1.2. Complete the SISP; and
 - 12.1.3. Implement any and all restructuring measures to preserve value.
- 12.2. The Monitor is supportive of such relief, which is in the best interest of the stakeholders.

13. CONCLUSIONS AND RECOMMENDATIONS

- 13.1. Based on the information presented previously in this report as well as the work performed to date, the Monitor has no reason to question the Applicants' diligence, good faith and proper intentions in pursuing the current restructuring proceedings.
- 13.2. Considering the above, the Monitor recommends that the Court grant the requested extension to the Stay Period up to and including April 25, 2025, as well as the increase of the DIP Facility and the DIP Charge.
- 13.3. Subject to continued access to DIP Financing, the Applicants are expected to have sufficient funds for the duration of the proposed Stay Period.

SCHEDULE A – LIST OF APPLICANT ENTITIES

SCHEDULE A – LIST OF APPLICANT ENTITIES

- 9508503 Canada Inc.
- ELNA Medical Group Inc.
- ELNA Pediatrics Inc.
- Tiny Tots Medical Centre Ltd.
- 7503881 Canada Inc.
- Clinique Médicale ELNA Unimed Inc.
- Gestion ELNA 2 Inc. (ELNA Plateau Mont Royal)
- CDL Protontherapy Center Inc.
- CDL Proton Management Inc.
- Clinique Médicale ELNA Châteauguay Inc.
- Clinique Métro-Medic Centre-Ville Inc.
- 9248-5994 Québec Inc. (ELNA Pierrefonds)
- Créa-Med Clinique de Médecine Privée Inc.
- GBMC Medical Office Management Inc.
- Omni-Med Stillview Inc.
- Elna Rockland Management Inc.
- ELNA Rockland Clinic Inc.
- ELNA Clinique A Inc.
- ELNA Group Inc. (ELNA Cosmetics)
- ELNA Anti-Aging Inc.
- Clinique Médicale ELNA Décarie Inc.
- ELNA Plus Decarie Square Inc.
- ELNA Mental Health Inc.
- ELNA Technologies Inc.
- Montreal Perfusion Centre Inc.
- Gestion ELNA 1 Inc.
- Clinique Privamed Inc.
- M-Health Solutions Inc.
- 1000224328 Ontario Inc.
- CDL Laboratories Inc.
- 11247603 Canada Inc.
- 7159099 Canada Inc.
- CDL Cardiology Inc.
- ELNA Acquisitions Inc.
- Medicentres Canada Inc.
- 9472-1024 Québec inc.
- Gestion Privamed Inc.

SCHEDULE B – SISP EXTENSION NOTICE

**SUPERIOR COURT / COUR SUPÉRIEURE
(COMMERCIAL DIVISION / CHAMBRE COMMERCIALE)**

Canada
Province of/de Québec
District of/de Montréal
No : 500-11-065011-245

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

ELNA MEDICAL GROUP INC. / GROUPE MÉDICAL ELNA INC.

9508503 CANADA INC.

THE OTHER APPLICANTS LISTED IN SCHEDULE A HERETO

Applicants / Requéranes

-and-

RAYMOND CHABOT INC.

Monitor / Contrôleur

NOTICE OF EXTENSION OF CERTAIN SISP DEADLINES

Dated February 27, 2025

On December 11, 2024, the Superior Court of Québec (Commercial Division) (the “**Court**”) issued an Initial Order pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**”) with respect to Elna Medical Group Inc. / Groupe Médical Elna Inc. (“**ELNA**”) as well as the other applicants listed in Appendix A hereof (collectively with ELNA, the “**Applicants**”), as amended and restated on December 17, 2024 and February 12, 2025, pursuant to the Second Amended and Restated Initial Order (the “**Second ARIO**”). Raymond Chabot Inc. has been appointed as monitor of the Applicants (the “**Monitor**”).

On December 11, 2024, the Court issued the SISP Approval Order including the Bidding Procedures attached as Schedule B thereto (the “**SISP Procedures**”), which govern the sale and investment solicitation process (the “**SISP**”).

In accordance with notably paragraphs 3 and 20 of the SISP Procedures and paragraph 69m) of the Second ARIO, the Monitor hereby confirms the extension of the “Phase 2 Bid Deadline & Qualified Bidders” to March 21, 2025 at 5 p.m. (prevailing Eastern Time), as well as the deadlines relating to certain subsequent steps of the SISP. For the purposes of clarity, the key dates pursuant to the SISP and presented at paragraph 3 of the SISP Procedures are updated as follows:

<u>Event</u>	<u>Date</u>
1. <u>Approval of the SISP and Bidding Procedures by the Court</u>	<u>Completed</u>

Phase 1	
<p>2. <u>Solicitation of potential buyers and investors</u></p> <p>Financial Advisor to distribute Solicitation Letter to potentially interested parties.</p>	<u>Completed.</u>
<p>3. <u>Virtual data room</u></p> <p>Financial Advisor to set up the VDR and add documents to the VDR</p>	<u>Completed</u>
<p>4. <u>CIM and VDR made available for parties having executed an NDA</u></p> <p>Applicants to prepare and have available for the parties having executed the NDA the CIM and VDR</p>	<u>Completed</u>
<p>5. <u>Phase 1 Qualified Bidders & Bid Deadline</u> Phase 1 Bid Deadline (for delivery of non-binding LOIs by Phase 1 Qualified Bidders in accordance with the requirement of paragraph 12 of the Bidding Procedures)</p>	<u>Completed</u>
<p>6. <u>Phase 1 Satisfactory Bid</u> Financial Advisor to notify each Phase 1 Qualified Bidder in writing as to whether its bid constituted a Phase 1 Satisfactory Bid</p>	<u>Completed</u>
Phase 2	
<p>7. <u>Phase 2 Bid Deadline & Qualified Bidders</u> Phase 2 Bid Deadline (for delivery of definitive offers by Phase 2 Qualified Bidders in accordance with the requirement of paragraph 20 of the Bidding Procedures)</p>	By no later than <u>March 21, 2025</u> , at 5:00 p.m. (prevailing Eastern Time)
<p>8. <u>Auction(s)</u> Auction(s) (if needed)</p>	Weeks of <u>March 24, 2025</u> and <u>March 31, 2025</u>
<p>9. <u>Selection of final Successful Bid(s)</u> Deadline for selection of final Successful Bid(s)</p>	By no later than <u>April 4, 2025</u> , at 5:00 p.m. (prevailing Eastern Time)
<p>10. <u>Definitive documentation</u> Completion of definitive documentation in respect of Successful Bid(s)</p>	Week of <u>April 14, 2025</u>

11. <u>Approval Application – Successful Bid(s)</u> Filing of Approval Application in respect of Successful Bid(s)	Week of <u>April 14</u> , 2025
12. <u>Closing – Successful Bid(s)</u> Anticipated closing of Successful Bid(s)	Week of <u>April 21</u> , 2025

All other provisions of the SISP Procedures remain unchanged.

**Raymond Chabot Inc.,
in its capacity as Court-appointed Monitor**

SCHEDULE A – LIST OF APPLICANT ENTITIES

- ELNA Pediatrics Inc.
- Tiny Tots Medical Centre Ltd.
- 7503881 Canada Inc.
- Clinique Médicale ELNA Unimed Inc.
- Gestion ELNA 2 Inc. (ELNA Plateau Mont-Royal)
- CDL Protontherapy Center Inc.
- CDL Proton Management Inc.
- Clinique Médicale ELNA Châteauguay Inc.
- Clinique Métro-Medic Centre-Ville Inc.
- 9248-5994 Québec Inc. (ELNA Pierrefonds)
- Créa-Med Clinique de Médecine Privée Inc.
- GBMC Medical Office Management Inc.
- Omni-Med Stillview Inc.
- ELNA ROCKLAND MANAGEMENT INC.
- ELNA Rockland Clinic Inc.
- ELNA Clinique A Inc.
- ELNA Group Inc. (ELNA Cosmetics)
- ELNA Anti-Aging Inc.
- Clinique Médicale ELNA Décarie Inc.
- ELNA Plus Décarie Square Inc.
- ELNA Mental Health Inc.
- ELNA Technologies Inc.
- Montreal Perfusion Center Inc.

- Gestion ELNA 1 Inc.
- Clinique Privamed Inc.
- M-Health Solutions Inc.
- 1000224328 Ontario Inc.
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- 11247603 Canada Inc.
- 7159099 Canada Inc.
- CDL Cardiology Inc.
- ELNA Acquisitions Inc.
- Medicentres Canada Inc.
- 9472-1024 Québec Inc.
- Gestion Privamed Inc.

SCHEDULE C – INTERCOMPANY TRANSACTIONS PROTOCOL

CCAA Proceedings of Elna Medical Group et al. – 500-11-065011-245

**PROTOCOL FOR INTERCOMPANY MONETARY PAYMENTS ESTABLISHED BY
RAYMOND CHABOT INC. IN ITS CAPACITY AS MONITOR**

On December 11, 2024, the Superior Court of Québec, Commercial Division (the “**Court**”) rendered an initial order pursuant to the *Companies’ Creditors’ Arrangement Act* (the “**CCAA**”), which initial order was amended and restated by the Court on December 17, 2024, and February 12, 2025 (as extended, amended, restated or otherwise modified from time to time, the “**Initial Order**”) in respect of Elna Medical Group Inc., 9508503 Canada Inc., as well as the other applicants listed in Schedule A thereto (collectively, the “**Applicants**”) and appointed Raymond Chabot Inc. as monitor (the “**Monitor**”).

Pursuant to the Initial Order, Intercompany Transactions¹, including monetary payments, are subject to the consent of the Monitor. The present protocol (this “**Protocol**”) is being put in place for the approval and tracking of monetary payments from an Applicant to another Applicant or their affiliates, as the case may be (each, an “**Intercompany Monetary Payment**”). This Protocol only pertains to Intercompany Monetary Payments, and not to other types of Intercompany Transactions which are governed by the terms of the Initial Order.

This Protocol is of immediate application and shall continue to apply for the duration of the CCAA proceedings, subject to further written notice from the Monitor.

1. Protocol for the approval of Intercompany Monetary Payments

All requests for the authorization to effect an Intercompany Monetary Payment (each, a “**Request**”), shall be addressed by email to Patrick Ifergan, in its capacity of Chief Financial Officer pursuant to the Initial Order (the “**CFO**”) at: pifergan@elnamedical.com, at least 5 days prior to the date of the proposed Intercompany Monetary Payment. A Request shall include the following information:

- Name of the entity effecting the Intercompany Monetary Payment;
- Name of the entity receiving the Intercompany Monetary Payment;
- Amount of the Intercompany Monetary Payment;
- Date on which the Intercompany Monetary Payment needs to be effected;
- Supporting documentation in relation to the Intercompany Monetary Payment; and
- Nature and reason(s) for the Intercompany Monetary Payment.

If the Intercompany Monetary Payment is approved by the CFO, the CFO will forward the Request to the Monitor at atallah.raymond@rcgt.com, at least 4 days prior to the date of the proposed

¹ “**Intercompany Transactions**” means transactions between Applicants or their affiliates including transactions with other Applicants or their parent or affiliated companies, including (a) purchase or sale transactions for goods or services in the ordinary course of the business, and (b) allocation and payment of costs, expenses and other amounts for the benefit of the Applicants, including, without limitation, debt repayments and interest costs, head office, shared services and restructuring costs

Intercompany Monetary Payment. The Monitor will review the Request and provide its response to the CFO, by email, as soon as possible following receipt of the Request.

If the Monitor approves the Request, at least 3 days in advance of the Intercompany Payment to be completed, it will inform the CFO, and the Monitor or counsel to the Applicants will concurrently notify National Bank of Canada as interim lender (the “**Interim Lender**”), of the upcoming Intercompany Monetary Payment (including by providing the amount and nature of same). This notice to the interim lender shall not apply in respect of payments relating to transactions between Applicants in the usual course of business, as provided under paragraph 27 of the Initial Order.

In the case of amounts to be transferred by Elna Medical Group Inc. to other Applicants from amounts collected under the interim (DIP) facility, the notice to the interim lender shall be sent concurrently with, or as part of, the drawdown request.

The CFO will inform the person having made the Request of the Monitor’s decision forthwith upon having received same. **The Intercompany Monetary Payment may only be effected three days after having received the consent of the Monitor.**

2. Tracking of Intercompany Monetary Payments received from non-Applicant affiliates

Any Applicant who receives an Intercompany Monetary Payment from an affiliate which is not an Applicant shall forthwith inform the CFO of the reception of such payment, the amount received and the entity from which it received the payment.

The CFO shall promptly forward the information regarding this Intercompany Monetary Payment, including the amount and nature, to the Monitor at atallah.raymond@rcqt.com.

SCHEDULE D – SUMMARY OF INTERCOMPANY TRANSACTIONS

Schedule E - Intercompany transactions

(in thousands of \$) - Note 1	EMG	GE1	CDL	Unimed	Décarie	Perf.	CDL Cardio	Medi-centres	TT DDO	TT Dec.	Châteauguay	Méto-Medic	Pierre-fonds	Créa-Med	Stat-care	Omni-Med	Clin. A	Décarie Plus	Privamed	Gest. Priv.	Total
Goods and services - Note 2																					
Week ended December 20, 2024 - Transaction #1	-	-	-	-	(100)	-	-	-	-	100	-	-	-	-	-	-	-	-	-	-	-
Week ended December 27, 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(26)	26
Transaction #1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(26)	26
Transaction #2	-	-	-	-	-	-	-	-	-	-	-	-	-	3	-	-	-	-	-	(3)	-
Week ended January 3, 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #1	-	-	-	-	-	-	-	-	-	-	-	-	-	(3)	-	-	-	-	-	3	-
Transaction #2	-	3	-	(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #3	-	1	-	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-	-	-	-	-
Week ended January 10, 2025	-	-	-	-	-	-	-	-	(55)	55	-	-	-	-	-	-	-	-	-	-	-
Transaction #1	-	-	-	-	-	-	-	-	(55)	55	-	-	-	-	-	-	-	-	-	-	-
Transaction #2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(38)	38
Week ended January 17, 2025 - Transaction #1	-	-	-	-	-	-	-	-	7	-	-	-	(7)	-	-	-	-	-	-	-	-
Week ending January 24, 2025 - Transaction #1	-	-	-	-	-	-	-	-	(4)	4	-	-	-	-	-	-	-	-	-	-	-
Week ended February 7, 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #1	-	3	-	(3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #2	-	1	-	-	-	-	-	-	-	-	-	-	-	(1)	-	-	-	-	-	-	-
Transaction #3	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(38)	38
Transaction #4	-	-	(10)	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #5	-	-	-	-	-	-	-	(61)	61	-	-	-	-	-	-	-	-	-	-	-	-
Week ended February 14, 2025	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	-	-	-
Transaction #1	-	-	(5)	-	-	-	-	-	-	-	-	-	-	-	-	5	-	-	-	-	-
Transaction #2	-	-	7	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(7)	-
Transaction #3	-	-	12	-	-	-	-	-	-	-	-	-	(12)	-	-	-	-	-	-	-	-
Transaction #4	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)	-
Transaction #5	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8)	-
Transaction #6	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)	-
Transaction #7	-	-	17	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(17)	-
Week ended February 21, 2025	-	-	(16)	-	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-	-	-
Transaction #1	-	-	(16)	-	-	-	-	-	-	-	-	-	-	-	-	-	16	-	-	-	-
Transaction #2	-	7	(7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Intercompany advances	16	28	(7)	(100)	-	10	-	(113)	221	-	-	(7)	(14)	-	5	16	-	(155)	102	-	-
Week ended December 13, 2024	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)	-
Transaction #1	-	-	-	-	20	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20)	-
Transaction #2	-	-	-	-	-	-	-	(11)	-	-	-	-	-	-	-	-	-	11	-	-	-
Transaction #3	-	-	-	-	-	-	-	(6)	-	-	6	-	-	-	-	-	-	-	-	-	-
Transaction #4	-	-	-	-	-	-	-	(33)	-	-	-	-	-	-	33	-	-	-	-	-	-
Week ended December 20, 2024	-	7	(7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #1	-	7	(7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #2	-	-	-	-	-	-	-	5	(5)	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #3	-	-	(10)	-	-	-	10	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Week ended January 24, 2025 - Transaction #1	115	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(115)	-
Week ended January 31, 2025	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #1	400	-	-	-	-	-	(400)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transaction #2	(115)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	115	-
Week ended February 7, 2025 - Transaction #1	(400)	-	-	-	-	-	400	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Week ended February 14, 2025	-	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150)	-
Transaction #1	-	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150)	-
Transaction #2	-	25	-	-	-	-	-	-	-	-	(25)	-	-	-	-	-	-	-	-	-	-
Week ended February 21, 2025	-	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150)	-
Transaction #1	-	150	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(150)	-
Transaction #2	-	300	-	-	-	-	(300)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Week ended February 28, 2025 - Transaction #1	100	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(100)	-
DIP transfers (from)to EMG	725	7	(17)	-	20	-	10	(300)	(45)	(5)	-	6	(25)	-	33	-	-	11	(420)	-	-
Week ended December 20, 2024	(318)	196	5	11	-	9	-	-	-	-	18	23	20	29	7	-	-	-	-	-	-
Week ended January 3, 2025	(583)	180	242	1	33	-	-	-	11	14	17	(2)	9	17	16	10	36	-	11	-	-
Week ended January 10, 2025	(166)	41	-	65	4	-	-	-	0	0	12	-	11	28	5	-	-	-	10	(11)	-
Week ended January 17, 2025	(201)	140	-	-	46	-	-	-	-	-	0	-	0	-	4	-	-	-	11	-	-
Week ended January 24, 2025	97	0	-	-	-	(9)	-	-	-	13	-	(20)	(16)	(55)	-	-	-	-	(10)	-	-
Week ended January 31, 2025	21	138	(95)	-	(20)	-	-	-	-	-	1	-	(25)	(19)	-	-	-	-	-	-	-
Week ended February 7, 2025	(157)	80	-	-	-	-	-	-	-	43	3	-	-	30	-	-	-	-	-	-	-
Week ended February 14, 2025	(227)	140	-	19	35	-	-	-	5	(8)	0	21	-	-	0	1	-	-	13	-	-
Week ended February 21, 2025	10	-	-	(8)	-	-	-	-	17	31	-	(21)	-	-	(5)	-	-	-	(23)	-	-
Week ended February 28, 2025	(172)	137	-	-	35	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-
	(1,706)	1,052	152	88	133	-	-	-	34	92	51	0	0	30	28	11	36	-	-	-	-
	(861)	1,074	164	82	53	-	20	(300)	(124)	307	51	6	(32)	15	61	16	51	11	(575)	102	-

Note 1:

Legal Names

Elna Medical Group Inc.
 Gestion ELNA 1 Inc.
 CDL Laboratories Inc.
 CDL Cardiology Inc.
 Medicentres Canada Inc.
 Tiny Tots Medical Centre Ltd.
 7503881 Canada Inc
 Clinique Médicale ELNA Unimed Inc
 Clinique Médicale ELNA Châteauguay Inc.
 Clinique Méto-Medic Centre-Ville Inc.
 9248-5994 Québec Inc. (ELNA Pierrefonds)
 Créa-Med Clinique de Médecine Privée Inc.
 GBMC Medical Office Management Inc.
 Omni-Med Stillview Inc.
 ELNA Clinique A Inc.
 Clinique Médicale ELNA Décarie Inc.
 ELNA Plus Décarie Square Inc.
 Montreal Perfusion Center Inc.
 Clinique Privamed Inc.
 Gestion Privamed Inc.

Naming Convention

EMG
 GE1
 CDL
 CDL Cardio
 Medicentres
 TT DDO
 TT Dec.
 Unimed
 Châteauguay
 Méto-Medic
 Pierrefonds
 CréaMed
 Statcare
 Omni-Med
 Clin. A
 Décarie
 Décarie Plus
 Perf.
 Privamed
 Gest. Priv.

Note 2 : As of the date of this report, some transfers have not yet been made between different companies of the group for post-filing services rendered. These transfers will be completed over the next weeks.

**SCHEDULE E – NOTICE OF THE MONITOR RAYMOND CHABOT INC. FURTHER TO REASONS FOR
THE SECOND AMENDED & RESTATED INITIAL ORDER**

**SUPERIOR COURT / COUR SUPÉRIEURE
(COMMERCIAL DIVISION / CHAMBRE COMMERCIALE)**

Canada
Province of/de Québec
District of/de Montréal
No : 500-11-065011-245

IN THE MATTER OF THE COMPROMISE OR ARRANGEMENT OF:

ELNA MEDICAL GROUP INC. / GROUPE MÉDICAL ELNA INC.

9508503 CANADA INC.

THE OTHER APPLICANTS LISTED IN SCHEDULE A HERETO

Applicants / Requéranes

-and-

RAYMOND CHABOT INC.

Monitor / Contrôleur

**NOTICE OF THE MONITOR RAYMOND CHABOT INC. FURTHER TO REASONS FOR THE
SECOND AMENDED & RESTATED INITIAL ORDER**

Dated February 14, 2025

On December 11, 2024, the Superior Court of Québec (Commercial Division) (the “**Court**”) issued an Initial Order pursuant to the *Companies’ Creditors Arrangement Act* (“**CCAA**”) with respect to Elna Medical Group Inc. / Groupe Médical Elna Inc. (“**ELNA**”) as well as the other applicants listed in Appendix A hereof (collectively with ELNA, the “**Applicants**”). Such initial order namely appointed Raymond Chabot Inc. as court-appointed monitor (the “**Monitor**”).

On December 11, 2024, the Court issued the SISP Approval Order dated December 11, 2024, including the Bidding Procedures attached as Schedule B of said order, as part of the CCAA proceedings.


On December 17, 2024, the Court issued an Amended and Restated Initial Order.

On February 10, 2025, the Monitor issued its “**Second Report**”, which, amongst many other items pertaining to the ongoing CCAA proceedings, included a section disclosing the proactive measures (the “**Conflict Measures**”) taken by McCarthy Tétrault LLP, counsel to the Monitor in the CCAA proceedings, to avoid potential conflicts of interest in relation to potential mandates by separate teams of McCarthy Tétrault LLP to advise Potential Bidders as part of the SISP (Section 14 of the Second Report).

On February 12, 2025, the Court issued the Second Amended and Restated Initial Order, including the reasons in support thereof (the “**Second ARIO**”). As part of such reasons, “*the Court invites the relevant parties to reflect on the situation [pertaining to the Conflict Measures]*”.

On February 13, 2025, following the reading of the reasons of the Second ARIO and the reflection suggested by the Court, the Monitor advised McCarthy Tétrault LLP that any separate team or teams (if any) who advise a Potential Bidder as part of the Bidding Procedures in accordance with the Conflict Measures, should cease such mandate.

The Monitor took this position given namely the reasons of the judgment and the distractions, delays and costs that could result from continuing mandates of separate McCarthy teams for Potential Bidders, if any, in a context where the focus of the parties must be on the restructuring of the businesses of the ELNA group, including via the continuation of the SISF to complete one or more transactions that would allow for the continuation of the businesses and the maximization of the creditors' recovery, in the best interest of all ELNA group's stakeholders.



Benoit Fontaine, Raymond Chabot Inc.
In its capacity as Court-appointed Monitor

SCHEDULE A – LIST OF APPLICANT ENTITIES

- ELNA Pediatrics Inc.
- Tiny Tots Medical Centre Ltd.
- 7503881 Canada Inc.
- Clinique Médicale ELNA Unimed Inc.
- Gestion ELNA 2 Inc. (ELNA Plateau Mont-Royal)
- CDL Protontherapy Center Inc.
- CDL Proton Management Inc.
- Clinique Médicale ELNA Châteauguay Inc.
- Clinique Métro-Medic Centre-Ville Inc.
- 9248-5994 Québec Inc. (ELNA Pierrefonds)
- Créa-Med Clinique de Médecine Privée Inc.
- GBMC Medical Office Management Inc.
- Omni-Med Stillview Inc.
- ELNA ROCKLAND MANAGEMENT INC.
- ELNA Rockland Clinic Inc.
- ELNA Clinique A Inc.
- ELNA Group Inc. (ELNA Cosmetics)
- ELNA Anti-Aging Inc.
- Clinique Médicale ELNA Décarie Inc.
- ELNA Plus Décarie Square Inc.
- ELNA Mental Health Inc.
- ELNA Technologies Inc.
- Montreal Perfusion Center Inc.

- Gestion ELNA 1 Inc.
- Clinique Privamed Inc.
- M-Health Solutions Inc.
- 1000224328 Ontario Inc.
- CDL Laboratories Inc.
- 11247603 Canada Inc.
- 7159099 Canada Inc.
- CDL Cardiology Inc.
- ELNA Acquisitions Inc.
- Medicentres Canada Inc.
- 9472-1024 Québec Inc.
- Gestion Privamed Inc.