

ACQUISITION OPPORTUNITY: TORONTO EXOTIC STONE IMPORTER AND SUPPLIER



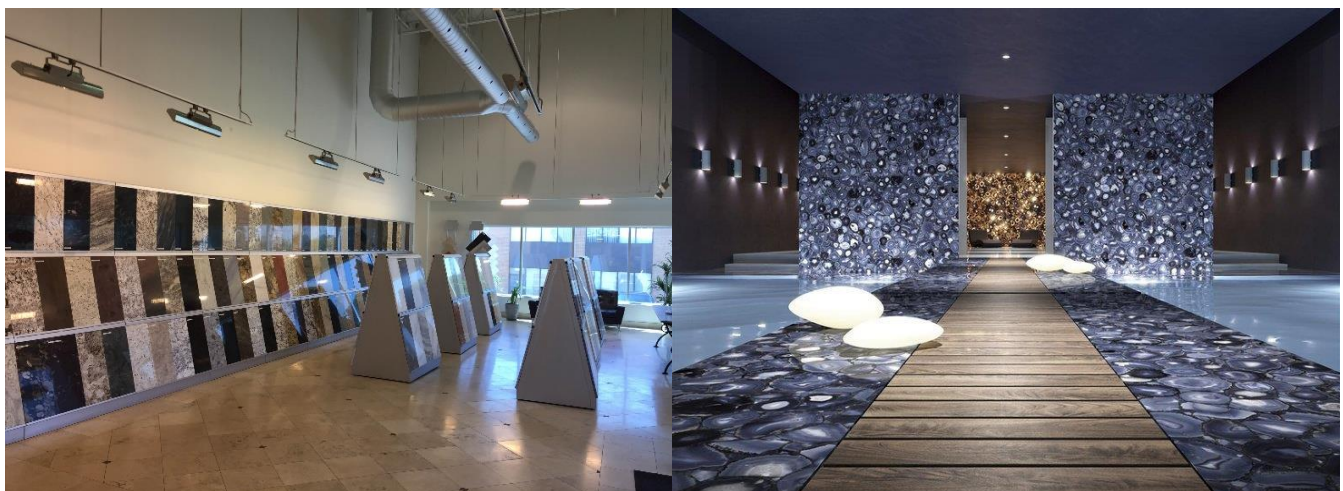
BACKGROUND TO THE ACQUISITION OPPORTUNITY

Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated June 12, 2024 (the “**Receivership Order**”), Albert Gelman Inc. was appointed as the receiver (in such capacity, the “**Receiver**”) of all the assets, property and undertakings of Milestone Marble & Granite Ltd. (the “**Company**”).

The Receivership Order, among other things, (i) authorized the Receiver to conduct a sale solicitation process (the “**Sale Process**”) for the sale of the Company’s business and/or assets and (ii) approved an asset purchase agreement (the “**Stalking Horse Agreement**”) for the acquisition of substantially all of the Company’s assets by Milestone Distribution 2024 Ltd., as the “stalking horse bidder” (the “**Stalking Horse Bidder**”), the completion of which is subject to the terms of the Sale Process.

OVERVIEW OF THE COMPANY

The Company was founded in 2000 and operates as an importer and supplier of exotic stones, including marble, granite and travertine, among others, and services construction projects across Canada. The Company operates from a leased, mixed-use warehouse, showroom and office space located at 8181 Jane St., Concord, Ontario (the “**Leased Premises**”).



ACQUISITION HIGHLIGHTS

Leased Premises

Located in the stone district of Toronto, on Jane Street south of Langstaff Avenue, the Leased Premises includes a modern showroom and more than 10,000 square feet of well-equipped warehouse space.

Inventory of Exotic Stone

The Company has approximately \$1.2 million (book value) of inventory, comprising more than 250 different types/colors of granite, marble, travertine, slate, limestone and onyx in slabs.

Track Record for Quality and Demand

Renowned for high-quality marble and other exotic stone products sourced from the finest quarries worldwide. A diverse and loyal customer base including architects, interior designers, construction firms and retail customers.



Potential for Future Growth

The Company had year-over-year revenue growth demonstrating continued demand despite the distressed construction industry in Canada. There are significant opportunities to expand market reach and product lines, including potential for geographic expansion and online sales.

SALE PROCESS

Below is a summary of the key aspects of the Sale Process:

- Interested parties are required to execute a non-disclosure agreement (an “NDA”) and return it to the Receiver in order to gain access to confidential information maintained in a virtual data room.
- **Parties will be required to submit offers in accordance with the terms of the Sale Process (“Qualified Offers”) to the Receiver by 5 p.m. (Toronto time) on July 16, 2024 (the “Offer Deadline”).**
- Qualified Offers are required, among other things, to be at least equal to the aggregate of: (i) the Stalking Horse Agreement purchase price, estimated to be approximately \$1,100,000, (ii) \$15,000, being the expense reimbursement amount and (iii) \$10,000, being the minimum overbid amount (collectively, the “**Minimum Offer Price**”).
- To be considered by the Receiver, Qualified Offers are, among other things: (i) to be on an “as is, where is” basis with no material conditions (save and except for approval by the Court), (ii) required to be greater than or equal to the Minimum Offer Price and (iii) to be accompanied by a cash deposit of not less than 10% of the offer purchase price. The Receiver may waive compliance with one or more of the Qualified Offer requirements and deem such non-compliant offer to be a Qualified Offer.
- If no Qualified Offers are received by the Offer Deadline, the Stalking Horse Bidder will be deemed the winning bid in the Sale Process. If one or more Qualified Offers are received by the Offer Deadline, the Receiver will conduct an auction for the determination and selection of the winning bid in the Sale Process.
- Additional information regarding these receivership proceedings and the Sale Process can be found at the Receiver’s website at: <https://www.albertgelman.com/corporate-solutions/other-engagements/>.

If you would like to execute an NDA, or further discuss this opportunity or the Sales Process, please direct your enquiries to:

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