



KPMG Inc.
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**Ontario Superior Court of Justice
(Commercial List)**

**Notice and Statement of the Receiver
(Subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)**

**In the Matter of the Receivership Proceedings of
DMI Exim Limited**

The Receiver gives notice and declares that:

1. On August 1, 2023 (the “**Receivership Date**”), pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”), KPMG Inc. (“**KPMG**”) was appointed as receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of DMI Exim Limited (“**DMI**”, or the “**Company**”), including, but not limited to, the Company’s lands and premises municipally known as 10 Falconer Dr., Unit 3, Mississauga Ontario (the “**Real Property**”), acquired for, or used in relation to the Company’s business (collectively, the “**Property**”), pursuant to section 243 of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and under Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43.

The primary assets of the Company are its outstanding accounts receivable, and the Real Property.

Based on the books and records of the Company, the estimated book value of the Property as at the Receivership Date is set out below.

| Assets | (\$CAD) |
|--|-------------------|
| Cash and cash equivalents ⁽¹⁾ | 128,000 |
| Accounts receivable ⁽²⁾ | 47,680,951 |
| Land and building ⁽³⁾ | 761,617 |
| Total | 48,570,568 |

(1) As per the Company's bank statements as at August 1, 2023.

(2) As per the Company's books and records.

(3) Net book value of the Real Property as per the Company's books and records.

A copy of the Receivership Order is available on the following website at <https://kpmg.com/ca/dmi>. Other court materials will be posted to this website as they become available.



2. The Receivership Order was granted pursuant to an application made by HSBC Bank Canada (“HSBC”), pursuant to security held by HSBC in the Property of the Company.
3. Pursuant to the terms of the Receivership Order, the Receiver took possession and control of the Property on August 1, 2023.
4. The following information relates to the receivership:

(a) Address of the Company:

10 Falconer Dr., Unit 3
Mississauga, Ontario
L5N 3L8

(b) Principal line of business: The Company was a global marketer and distributor of physical commodities, including agricultural goods such as chickpeas, lentils, soybeans and other beans, engineered goods and industrial chemicals. Its customers included importers and distributors in Pakistan, India, Ethiopia, Turkey, and the United Arab Emirates.

(c) Location of business: The Company operated out of the Real Property.

(d) Amounts owing by the Company to secured creditors: The amounts owed by the Company as at August 1, 2023 to each creditor who may have a security interest in the Property are as follows:

| Secured Creditor | Estimated Amount Owed (\$CAD) ⁽³⁾ |
|---------------------------------------|---|
| HSBC ⁽¹⁾ | 29,441,837 |
| BMW Financial Services ⁽²⁾ | 16,000 |
| Total | 29,457,837 |

(1) The Receiver has obtained an independent legal opinion from Blake, Cassels & Graydon LLP with respect to the validity and enforceability of the security granted in favour of HSBC, which opinion is that (a) HSBC has a valid, enforceable and first-in-time registered security interest against DMI with respect to the personal property of DMI, (b) a valid first-in-time registered legal mortgage and charge of the Real Property and (c) a valid, enforceable and first-in-time registered legal charge and security interest in the rents of the Real Property.

(2) At this time, the Receiver has not obtained an independent legal opinion with respect to the validity and enforceability of the security granted in favour of BMW Financial Services, which security relates to a motor vehicle of the Company.

(3) Amounts above are based on the books and records of the Company. The Receiver has not confirmed the validity or quantum of such claims at this time.



- (e) List of other creditors of the Company: Based on the Company's books and records, the amount owed by the Company to its unsecured creditors as at August 1, 2023 is approximately \$2,491,304. Attached as **Appendix "A"** is a list of all known creditors of DMI as at August 1, 2023.

- (f) Intended plan of action of the Receiver: The estimated realizable value of the Property is unknown at this time. The intended plan of action of the Receiver during the receivership proceedings is to evaluate realization strategies for the Property and pursue same.

- (g) Contact person for the Receiver:

Cameron Rodrigues
T: 1-877-375-6909
E: DMI@kpmg.ca

Dated at Toronto, Ontario on August 10, 2023.

Anamika Gadia
Senior Vice-President

George Bourikas
Vice-President

KPMG Inc., LIT
in its capacity as Receiver of
DMI Exim Limited, and not in
its personal or corporate capacity.

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