



This is the 2nd Affidavit of
Jonny Lai in this case and
was made on the 15th day of
September, 2025

Court File No. B250371
Estate No. 11-3246593
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
OLYMPIC DISTRIBUTORS LTD.

AFFIDAVIT

I, Jonny Lai, of 14291 Burrows Road, Richmond, British Columbia, Assistant General Manager, AFFIRM THAT:

1. I am the Assistant General Manager of Olympic Distributors Ltd. ("**Olympic**"), and as such have personal knowledge of the facts and matters deposed to in this Affidavit, save and except where they are said to be based on information and belief, in which case I believe them to be true.
2. I am authorized to make this affidavit on behalf of Olympic.

Sales Process for Olympic's Assets

3. As a result of the financial difficulties which I have described in my earlier Affidavit, around July of 2024 Olympic began looking at ways to sell its business to pay off its debts. Based on its preliminary investigations, Olympic decided that the most likely means of doing that was to sell its assets rather than the company as a whole.
4. The specific details of those assets are described in the Proposal Trustee's First Report to Court and were primarily comprised of:
 - (a) Asian packaged food product inventory;

(b) warehouse and office equipment; and

(c) motor vehicles.

(the “Assets”)

5. To do this, in July 2024 Olympic began a process to market and solicit offers for Assets.

6. I was primarily responsible for Olympic’s efforts to sell the Assets.

7. Rather than simply listing the Assets for sale, initially Olympic identified potential purchasers which it believed may be interested in acquiring the assets. It did this because it was concerned that if its financial difficulties became public knowledge, there was a risk that the clients which it sells inventory to may seek alternative suppliers.

8. On behalf of Olympic, I contacted the following prospective purchasers to advise them of the potential opportunity to purchase the Assets:

(a) CAC Natural Food Inc. (July 2024)

(b) DW Enterprises Ltd. (July 2024)

(c) Chevalier Star Trading Co., Ltd. (August 2024)

(d) Anchor Foods International Ltd. (September 2024)

(e) LeKiu Distributors Ltd. (October 2024)

(f) Emme Foods Enterprises Co. Ltd. (November 2024)

(g) Thai Indochine Trading Inc. (December 2024)

(the “**Prospective Purchasers**”).

9. The Prospective Purchasers identified above included Olympic's largest competitors in the wholesale / distribution industry in the Greater Vancouver area and in my opinion, represented the parties most likely to make a credible bid to purchase the Assets.
10. As a result of my enquiries with the Prospective Purchasers, two parties entered into non-disclosure agreements ("NDAs") with Olympic to further assess whether or not they wished to make an offer to purchase Assets.
11. NDA's were executed on the following dates by:
 - (a) CAC Natural Foods Inc. on July 23, 2024; and
 - (b) DW Enterprises Ltd. entered into a July 22, 2024.
12. After executing the NDAs, I engaged in further discussions with CAC Natural Foods Inc. and DW Enterprises Ltd. and provided detail information regarding Olympic's business, including but not limited to full audited financial statements for the previous five years, a customer list, supplier list, inventory list, and accounts receivable list.
13. After receiving this information from Olympic CAC Natural Foods Inc and DW Enterprises indicated that they were not interested in making an offer to purchase the Assets as they were did not feel confident in Olympic's financial performance specifically, and because of broader market conditions.
14. Another Prospective Purchaser also verbally expressed a potential interest in acquiring the goodwill / trademark of Olympic for \$30,000, LeKiu Distributors Ltd., and taking Olympic's inventory on consignment to be paid for when sold. However, LeKiu did not ultimately present any written offer to Olympic.
15. Another Prospective, Chevalier Star Trading Co., Ltd. ("CST") presented a Letter of Interest to Olympic, expressing an interest in discussing an agreement where Olympic's inventory would be placed on consignment with CST, and CST would pay \$1 for Olympic's trademark.

16. Unfortunately, despite ongoing discussions with those Potential Purchasers ultimately Olympic did not receive any offers to purchase the Assets from any of the Prospective Purchasers.

Sale Agreement with OD International Ltd.

17. As described in my First Affidavit made in these proceedings, I am also the principal of OD International Ltd.
18. After the discussions with the Prospective Purchasers failed to secure an offer for the Assets, I began discussing with the owner of Olympic, Mike Jang, the possibility that I might be interested in acquiring the Assets.
19. I have worked in this industry for approximately 21 years, and although Olympic was facing significant financial difficulties, I believed (and still do) that there was an opportunity to continue selling the same products to businesses in British Columbia, and to expand Olympic's geographical territory and product offerings.
20. In order to try and determine the value of the Assets, in March 2025 Olympic engaged Joiner Sales Corp. to provide an appraisal of the Assets (the "**First Appraisal**"). Attached and marked as Exhibit "A" is a copy of the First Appraisal which Olympic secured.
21. The First Appraisal valued the Assets, for liquidation purposes, at approximately \$370,000.
22. However, notwithstanding the value that was identified in the First Appraisal, my discussions with Mike Jang also recognized a couple of other factors which were important to any proposed transaction, being:
- (a) the importance of being able to maintain, as much as possible, the ability to supply Olympic's customers on an ongoing basis; and
 - (b) a personal guarantee (and related security over the Assets) which Mr. Jang name had granted to Beem Credit Union ("**Beem**").

23. Although the liquidation value of Assets may be significantly less, I have decided that I am prepared to acquire them for an amount that is significantly greater than their appraised value. The reasons why I am prepared to do so include:
 - (a) if I am able to acquire all of the Assets in a timely fashion, I will hopefully be able to continue to sell the inventory uninterrupted;
 - (b) I have many contacts in the industry and believe that if I am able to service them on an interrupted basis, I may be able to continue and expand those relationships; and
 - (c) to try and ensure that the outstanding debts due and owing to Beem are paid and the personal guarantee which Mr. Jang provided is released.
24. In order to make an offer for the Assets I arranged for the incorporation of accompany called OD International Ltd. in July 2024.
25. After discussions with Mr. Jang and Beem, Olympic and OD International Ltd. have agreed to enter into a Contract of Purchase and Sale for the Assets with a purchase price of \$950,000.
26. Olympic and OD International Ltd. Are in the process of finalizing the Contract and providing a copy to the Proposal Trustee for review and comment.
27. Olympic has also been in discussions with counsel for Beem about the proposed sale of the Assets and is seeking its support of the sale of the Assets.

SWORN BEFORE ME at the City of
Vancouver, in the Province of British
Columbia, this 15th day of September, 2025.

A Commissioner for taking Affidavits within British Columbia



JONNY LAI

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[illegible]



FORCED LIQUIDATION VALUE

**APPRAISAL OF
ASSETS OF OLYMPIC DISTRIBUTORS LTD.**



OLYMPIC DISTRIBUTORS LTD.

19730 Telegraph Trail

Langley, BC, V1M 3E5

Completion Dates

Report Date: 20 March 2025

Effective Date: 20 March 2025

Joiner Project Team

Appraiser:	G. Blake Joiner
Peer Review Appraiser:	Kevin R. Joiner

APPRAISAL DIVISION



Mr. Jonny Lai

March 20, 2025

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Inventory of Asian Packaged Food Products and fixed assets

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Mr. Jonny Lai

March 20, 2025

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Inventory of Asian Packaged Food Products and Fixed Assets

EXECUTIVE SUMMARY

Appraisal Overview	
Industry	Packaged Asian Food Product Wholesaler
Valuation Approach	Forced Liquidation Value
Description of Assets	Asian Packaged Food Products and Warehouse, Office and Vehicle fixed assets
Date of Engagement	14 March, 2025
Effective Date of Report	20 March, 2025
Date of Site Visit(s)	14 March, 2025
Location(s) Visited	19730 Telegraph Trail, Langley, BC
Excluded equipment	N/A

Conclusions on Value Summary	
Olympic Distributors Ltd. <u>Total Forced Liquidation Value:</u>	<u>\$369,850</u>

Mr. Jonny Lai

March 20, 2025

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Inventory of Asian Packaged Food Products and Fixed Assets

CONCLUSION OF VALUE

EQUIPMENT LOCATED AT:

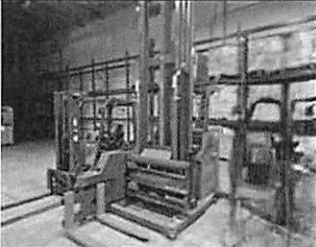
FORCED LIQUIDATION VALUE

19730 Telegraph Trail, Langley, BC

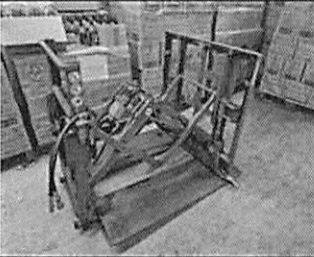
- | | |
|--|-------------------------|
| 1) OLYMPIC DISTRIBUTORS LTD., ASSETS,
Langley, BC | |
| <u>TOTAL FORCED LIQUIDATION VALUE:</u> | <u>\$369,850</u> |

EFFECTIVE DATE: 20 March 2025

19730 Telegraph Trail, Langley, BC – Asset List

OLYMPIC DISTRIBUTORS LTD.			
	Image	Description	OLV
1.		\$813,146.04 current cost value of Asian packaged food product inventory – juices & drinks, canned goods, dry packaged goods, bottled sauces, vinegar, snacks etc. The inventory expiry date status stands at 3 months plus. The gross expected recovery is anticipated at 33 cents on the cost dollar	268,000
2.		2021.11 Mima electric 3-way pallet stacker Model MC15-75, s/n 211120213C15F, 48-volt, 1500 kg capacity/875 kg at max height, 7500mm lift height, 20.1 hours, with charger, Made in China	35,000
3.		Linde Model E18 electric forklift, s/n A1X346A00190, 3500 lb. capacity, 188" lift, 48-volt, side shift, 6331 hours, Made in USA	13,500
4.		2018 Toyota Yaris LE, VIN VNKKTUD34JA098108, 131,999km	7,000
5.		Dodge Caravan, VIN 2C4RDGBG9FR735122, 137,957 km	9,000

19730 Telegraph Trail, Langley, BC – Asset List

OLYMPIC DISTRIBUTORS LTD.			
	Image	Description	FLV
6.		Bolzoni Auramo Push Pull "Easy Rider" palletless forklift attachment	6,500
7.		Yardworks 30" gas powered snowblower, electric start	850
8.		(10) 3 tier sections of used pallet racking	5,000
9.		Quantity of unused pallet racking	10,000
10.		Office furnishings and computers, monitors, office machines etc.	15,000

Inventory of Asian Packaged Food Products and Fixed Assets

CERTIFICATION OF APPRAISAL

I and/or we certify that to the best of our knowledge and belief:

The statements of fact contained in this report are true and correct.

The reported analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are the appraisers' unbiased professional analyses, opinions and conclusions.

The appraisers (or the specified) have no present or prospective interest in the property that is the subject of this report, and the appraisers (or the specified) have no personal interest or bias with respect to the parties involved.

Our engagement in this assignment was not contingent upon developing or reporting predetermined results.

Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.

Our analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice and in conformance with the Standards and Procedures of the Canadian Personal Property Appraisers Group.

All information in the appraisal is considered confidential and will not be transmitted to a third party without the express written consent of the client.

Individuals signing the report below are in conformance with their respective professional society's mandatory reaccreditation program.

By email

Senior Appraiser
G. Blake Joiner
President

Mr. Jonny Lai

March 20, 2025

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Inventory of Asian Packaged Food Products and Fixed Assets

DEFINITIONS OF VALUE

FORCED LIQUIDATION VALUE: Forced liquidation value is the estimated gross amount, expressed in terms of currency in Canadian dollars, that could be typically realized from a properly advertised and conducted public auction sale, negotiated liquidation sale, or a combination of the two, with the seller being compelled to sell with a sense of immediacy, on an as-is, where-is basis, under present-day economic trends.

Inventory of Asian Packaged Food Products and Fixed Assets

APPROACHES TO VALUE

MARKET APPROACH

One of the three recognized approaches used in appraisal analysis, this approach involves the collection of market data pertaining to the subject assets being appraised. This approach is also known as the "Comparison Sales Approach." The primary intent of the market approach is to determine the desirability of the assets and recent sales or offerings of similar assets currently on the market in order to arrive at an indication of the most probable selling price for the assets being appraised. If the comparable sales are not exactly like the asset being appraised, adjustments must be made to bring them as closely in line as possible with the subject property.

COST APPROACH

One of the three recognized approaches used in appraisal analysis, this approach is based on the proposition that the informed purchaser would pay no more for a property than the cost of producing a substitute property with the same utility as the subject property. It considers that the maximum value of a property to a knowledgeable buyer would be the amount currently required to construct or purchase a new asset of equal utility. When the subject asset is not new, the current cost must be adjusted for all forms of depreciation as of the effective date of the appraisal.

DEPRECIATION

Defined as the actual loss in value or worth of a property from all causes including those resulting from physical deterioration, functional obsolescence or economic obsolescence.

- **Physical Deterioration**

A form of depreciation where the loss in value or usefulness of an asset is attributable solely to physical causes such as wear and tear and exposure to the elements.

- **Functional Obsolescence**

A form of depreciation where the loss in value is due to factors inherent in the property itself and due to changes in design or process resulting in inadequacy, overcapacity, excess construction, lack of functional utility, or excess operation costs.

- **Economic Obsolescence**

A form of depreciation or loss in value caused by unfavorable external conditions.

These can include such things as the economics of the industry, availability of financing, loss of material and labor sources, passage of new legislation, and changes in ordinances.

Inventory of Asian Packaged Food Products and Fixed Assets

STATEMENT OF CONDITIONS

This appraisal has been made in accordance with the format established by the Uniform Standards of Professional Appraisal Practice and in conformance with the Standards and Procedures of the Canadian Personal Property Appraisers Group and reflects the best judgment of the appraiser.

This document and supporting notes are confidential. Neither all nor any part of the contents of this appraisal shall be copied or disclosed to any party or conveyed to the public orally or in writing through advertising, public relations, news, sales, or in any other manner without the prior expressed written consent and approval of both Joiner sales Corp and its client.

The fees for this appraisal are not contingent upon the values reported.

The effective date of the appraisal establishes the date of the current market value and is not prospective or retrospective.

This Appraisal is subject to the following limitations:

No responsibility is assumed for matters of a legal nature, which might affect the property that is the subject of this appraisal. But without limiting the generality of the foregoing, the annexed appraisal assumes that the property is not subject to any liens, encumbrances, or impediments to its free transferability and that such property conforms to all statutes, regulations, and codes that might relate to or affect the use, sale or other disposition of such representations.

The Appraisal is based on the following:

Information provided to Joiner Sales Corp, which Joiner Sales Corp has been led to believe is representative of the assets subject to this appraisal.

Confirmation of the quantities of such assets was based upon information Joiner Sales Corp has been led to believe it is accurate.

This appraisal is based upon the value of the assets as of the effective date of this report. Subsequent changes, including changes in the market or in the composition of assets, could have a significant effect on the values herein. Joiner Sales Corp assumes no responsibility for economic, functional or physical factors occurring after the effective date of this report.

Inventory of Asian Packaged Food Products and Fixed Assets

STATEMENT OF CONDITIONS

-Continued-

Joiner Sales Corp was provided with an asset list and supplemental information, which were not audited before being used for the purposes of our review and analysis. We have accepted the Company's representation and have assumed, without independent verification, that all such information was reasonably prepared and that it is accurate and complete in all material respects. We assume no responsibility for its accuracy.

The appraiser is not an attorney at law. The reader is advised to consult with his/her attorney on general rules of law as they apply to the property in question.

All opinions as to value are presented as the appraiser's considered opinion, based on the facts and data set forth in the report. The values reported herein are an opinion only and are not a warranty or representation of fact. No responsibility is assumed for any inability to sell the designated assets at the values projected herein. Other than stated herein, no representation, warrant, or statement is made as to the value or marketability of the assets.

The opinions expressed herein are valid only for the express and stated purpose of providing information and assistance to the parties to whom this report is specifically addressed and to their counsel and or lenders in connection with the proposed financing and are not in any way, implied or expressed, to be construed, used, circulated, quoted, relied upon, or otherwise referred to for any other purpose.

It is an express condition of this report that the appraiser is not required to give testimony or appear in court regarding this appraisal, unless arrangements have been previously made, therefore.

The appraiser's opinion of equipment condition is derived from documentation and verbal confirmation supplied by the client. The values reported assume the equipment is operational and serviceable unless otherwise stated in the report.

Consideration for possible environmental hazards or the existence of potentially hazardous or toxic materials, which may have been used in the maintenance and operation of the equipment, was not considered in arriving at the opinion of value stated and goes beyond the scope of this appraisal. In the development of our opinion of value, no consideration has been given to such liability or its impact on value.

Inventory of Asian Packaged Food Products and Fixed Assets

STATEMENT OF CONDITIONS

-Continued-

The appraisal assumes (a) responsible ownership and competent management of the designated assets; (b) there are no hidden or unapparent conditions of the designated assets that would render the values more or less valuable (no responsibility is assumed for such conditions or for engineering studies that may be required to discover them); (c) full compliance with all applicable national, provincial, and local zoning and environmental regulations and laws, unless noncompliance is stated, defined and considered in the appraisal; (d) all required licenses, certificates of occupancy, and other governmental consents have been or can be obtained and renewed for any use on which the value estimate contained in the appraisal is based.

This appraisal report is deemed a fractional appraisal in that there is no consideration given for business goodwill, royalties, licensing, or any other type of intangible asset associated with the business wherein the respective designated assets are located unless otherwise stipulated in the report.

The total value of the appraisal was determined by adding together the individual values of the assets. The appraisal report has not considered the effect on value, if any, of the assemblage of the various assets at each of the locations detailed on the Conclusion of Value page(s).

Any deletions or additions to the total assets could change the psychological and/or monetary appeal necessary to gain the values indicated.

Inventory of Asian Packaged Food Products and Fixed Assets

METHODOLOGY

This appraisal was prepared utilizing some or all of the following methodology:

Equipment is appraised according to its highest and best use. Factors such as condition, age, functionality, obsolescence, marketability and plant location are considered when assigning the appraised value(s) herein. Items that are out of service and/or incomplete are so noted in the appraisal report.

The appraiser's opinion of equipment condition is derived from documentation and verbal confirmation supplied by the client, on-site staff and company website. The values reported assume the equipment is operational and serviceable unless otherwise stated in the report.

Market Approach: Values are established by comparing the items appraised with equivalent items sold at recent auction or liquidation sales, consulting with new and/or used equipment dealers offering comparable equipment for sale, consulting selected trade publications, periodicals and machinery catalogs, and when appropriate, consulting with professional machinery movers.

Cost Approach: Values are established based on the proposition that the informed purchaser would pay no more for a property than the cost of producing a substitute property with the same utility as the subject property. It considers that the maximum value of a property to a knowledgeable buyer would be the amount currently required to construct or purchase a new asset of equal utility. When the subject asset is not new, the current cost must be adjusted for all forms of depreciation as of the effective date of the appraisal.

Where appropriate, acknowledged outside experts may have provided an opinion of value based upon written and pictorial information, and if a fee was compensated by Joiner Sales Corp, those individuals would be identified in the Certification of Appraisal.

Each appraisal is reviewed by a committee comprised of appraisers of Joiner Sales Corp prior to its release to the client.