

**Shoes.com Technologies Inc. and
Shoeme Technologies Ltd. (in Receivership)**
Invitation for Offers to Purchase



BACKGROUND

On February 3, 2017 the Supreme Court of British Columbia (the “Court”) granted an order (the “Order”) appointing Alvarez & Marsal Canada Inc. (“A&M”) as receiver of all of the current and future assets, undertakings and properties of Shoeme Technologies Limited (“Shoeme”) and on February 15, 2017 the Court granted an Order appointing A&M as receiver of all of the current and future assets, undertakings and properties of Shoes.com Technologies Inc. (“Shoes.com Technologies”).

A&M, in its capacity as receiver (the “Receiver”) of Shoeme and Shoes.com Technologies (the “Companies”) is seeking offers to purchase the Receiver’s interest in the Companies’ assets which include domain names or uniform resource locators (“URLs”) and other intellectual property as well as shoe and apparel inventory.

DOMAIN NAMES AND INTELLECTUAL PROPERTY

The domain names and intellectual property owned by each of the Companies and offered for sale by the Receiver are set out below:

SHOES.COM TECHNOLOGIES INC.	SHOEME TECHNOLOGIES LTD.
<ul style="list-style-type: none"> • The “SHOES.COM”, “SSSSHoes.COM” and “SHHHoes.COM” domain names and associated trademarks • Key shoes.com operating metrics include: <ul style="list-style-type: none"> - 25+ million website visits in 2016; - approximately 600,000 customers served since 2015 - average of 1.4 orders per customer - 2016 net revenue of US \$48 million - 2015 net revenue of US \$35 million 	<ul style="list-style-type: none"> • A portfolio of 14 domain names or URLs including “SHOEME.CA” and associated trademarks • Key shoeme.ca operating metrics include: <ul style="list-style-type: none"> - 11+ million website visits in 2016; - approximately 300,000 customers served - average of 1.8 orders per customer - average cart size of C \$130 - 2016 net revenue of C \$22 million - 2015 net revenue of C \$17 million

Disclaimer: The information contained in this document has been prepared solely for information purposes to assist parties in considering their interest in the Companies’ assets. While the information contained herein is believed to be accurate and reliable, neither A&M nor its employees, officers, directors or shareholders, makes any representations or warranties, expressed or implied, as to the accuracy or completeness of such information embodied herein and none of the shall have any liability for such information, nor the accuracy, reliability or completeness of such information. This document is not meant to be and should not be distributed to any other parties. In furnishing this document, A&M reserves the right to amend or replace the document at any time and undertakes no obligation to provide the recipient with access to any additional information or to update information. In all cases, parties should conduct their own investigation and analysis of the Companies’ and the data described herein.



INVENTORY

Shoeme owns approximately 23,600 units of footwear inventory with an estimated retail value of approximately \$3.1 million. The inventory includes a diverse offering of brands and products with a focus on the athletic leisure market segment. Brands include the following:

Asics	Clarks	Frye	Sperry	Timberland
Baffin	Converse	Michael Kors	Steve Madden	Ugg
Birkenstock	Cole Haan	Saucony	The North Face	Vans

The inventory is located at a third-party logistics facility in Brampton, Ontario.

SOLICITATION PROCESS

Upon executing a non-disclosure agreement (“NDA”) and returning it to the Receiver at marianna.lee@alvarezandmarsal.com, qualified potential purchasers may be granted access to an electronic data room including due diligence materials and the prescribed form of offer.

A copy of the NDA is available on the Receiver’s website at www.alvarezandmarsal.com/shoes.

The timeline for the solicitation process is as follows:

- February 20 to March 17, 2017 – access to the data room and appointments to view inventory
- **March 17, 2017 (10 o’clock am PST) – deadline for submitting offers**
- March 17 to 24, 2017 – Receiver will negotiate with one or more parties
- on or before March 31, 2017 – A&M to seek Court approval of preferred offer(s)

A&M reserves the right to amend or modify the solicitation process at any time at its sole discretion.

Any sale shall be in accordance with the terms of the Order and is subject to approval by the Court.

US RECEIVERSHIP OF SHOES.COM, INC. AND ONLINESHOES.COM, INC.

On February 2, 2017, an order appointing a general receiver (the “US Receiver”) in the matter of Shoes.com, Inc. and Onlineshoes.com, Inc. was entered by the Superior Court of Washington for King County. The US Receiver is conducting a sale solicitation process with respect to the assets of Shoes.com, Inc. and Onlineshoes.com, Inc. Information with respect to the sales process being undertaken by the US Receiver can be viewed at the following link:

<http://inverness.us/receivership-shoes-com-onlineshoes-com>

CONTACT DETAILS

Enquiries or requests for further information should be directed to A&M only at the contact details below.

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