

Q&A – Alexandria Moulding acquires Royal Woodworking

Q. What Companies were involved in the transaction?

A: Alexandria Moulding acquired Royal Woodworking of Bradford Ontario and Calgary Alberta as well as Aurora Timberland Wholesale Hardwood Lumber Inc. in Ontario.

The Royal Wood Shop in Aurora Ontario was **not** included in the transaction.

Q. Why did the acquisition take place?

A: Alexandria Moulding is a company whose sales and marketing business plan looks to expand and solidify its product offering and carefully selects potential long-term acquisitions to leverage each company's strengths to enhance the value Alexandria Moulding brings to its customers.

Royal Woodworking has been looking for a strong, strategic partner to assist with business growth across North America. As the two companies have been business partners for over a decade, both companies believe their culture, values and approach to business are a natural fit.

Q. How will this benefit me as a Royal Woodworking customer? As an Alexandria Moulding customer?

A. Royal Woodworking's customers will continue to receive the same high quality of products and service which they have come to expect.

For Royal Woodworking, it is business as usual. Royal Woodworking customer service people will be taking care of the accounts they know and have been dealing with.

Together once the integration takes place, we will have an increased range of products and services. We will leverage each other's strengths to enhance the value proposition we bring to our customers".

Q. What steps will be taken to integrate the two companies?

A. The integration of both companies will take place over the upcoming months with management of both companies collaboratively developing an integration plan. They anticipate no changes in the short term. Royal's customers will continue to receive the same high quality of products and service which they have come to expect.

Q. Will there be any changes at RWW locations? Will RWW continue to operate as RWW or will RWW assume the Alexandria Moulding name?

A: Royal Woodworking will operate as a standalone business unit providing their customers with a large selection of quality millwork products as well as leveraging Alexandria's logistics and sales network to grow their geographical coverage, while providing unparalleled support and service. After the integration, Royal will continue to produce and distribute the same quality products they have in the past and all hardwood

products distributed by Alexandria Moulding will be under the brand name of Royal Woodworking.

Q. When will Alexandria Moulding customers be able to purchase Royal Woodworking product through Alexandria Moulding?

A. The ultimate goal will be to expand the Alexandria Moulding product and service offering with the Royal Woodworking product lines. Due to the complexity of this task, the integration of the inventory will take place over the upcoming months. We will keep you informed of the timeline once the integration plan is completed.

Q. Will this acquisition affect pricing from both companies?

A. No, not as a result of this transaction. We have the same management team making the pricing decisions.

Q. Will there be any immediate contract / invoicing / discounts or other paperwork changes as a result of this transaction?

A. No. We will continue to conduct business as usual

Q. Who should I contact to get pricing on a specific product?

A: You can still contact either Alexandria Moulding or Royal Woodworking customer service for pricing information.

Q. Will the current ownership of Royal Woodworking still be involved with the business?

A. Frank Gerrits has decided to retire however, Donna Gerrits, Rick Gerrits, and Tom Hayes will remain with Alexandria Moulding.