

## ACQUISITION OPPORTUNITY: CAVALLO WINERY LTD.

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### OPPORTUNITY

The Bowra Group Inc. was appointed Receiver (the “Receiver”) of Cavallo Winery Ltd. (“Cavallo”) on October 7th, 2022 pursuant to an Order of the Supreme Court of British Columbia.

The Receiver is offering the assets of Cavallo for sale in accordance with a Sale Procedure Order (the “Sale Procedure”).

The assets for sale consist of:

- Wine production equipment;
- Inventory of finished bottled wine, inventory of wine in barrels and raw grape inventory in cold storage;
- Leasehold interests in Surrey tasting room and manufacturing facility and Surrey warehouse; and
- Applicable liquor licenses.

The Receiver is inviting qualified parties to participate in the Sale Procedure with a preference for en bloc offers.

### BUSINESS OVERVIEW

Cavallo Winery Ltd. is a commercial winery with tasting room situated in Surrey, British Columbia. Cavallo was established in 2014 and has been in operation for over 8 years. It now has over 320 members in its wine club. Cavallo’s wines are produced using grapes sourced from some of the most world-renowned vineyards in Napa Valley, California.

### INVESTMENT HIGHLIGHTS

- Annual production capacity of 30,000 cases of wine;
- Current catalogue of 15 wines – 3 private collection, 1 dessert wine, 5 single red varietals, 1 red blend, 1 white blend, 3 muscats, 1 rose and 3 exclusive club wines;
- Grapes sourced from world renowned vineyards in Napa, California, with strong relationships with suppliers built over the 8 years of operations;
- Wine Club membership growing year on year (Y1 – 140%; Y2 – 77%); and
- Canada-wide customer base with potential to expand internationally

### SALES PROCEDURE

A summary of the Sale Procedure, including process steps and timing is tabled below:

Process Step	Timing
Sale Procedure Order	November 02, 2022
Due Diligence	November 03 to December 15, 2022
Bid Deadline	December 16, 2022

The bid deadline for offers is 4:00 PM local time in Vancouver, British Columbia on December 16, 2022.

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Management of Cavallo has prepared due diligence materials for review by participants in the Sale Procedure via a virtual data room. Qualified parties who wish to be participants in the Sale Procedure must deliver the following to the Receiver:

- An executed Confidentiality Agreement and Non-Disclosure Agreement;
- An executed Acknowledgement of Sale Procedure; and
- Identification of the participant and any principals, and the representatives thereof who are authorized to appear and act on their behalf for all purposes regarding the contemplated transaction.

For further information on the Sales Procedure, please visit our website at:

[www.bowragroup.com/cavallo-winery-ltd](http://www.bowragroup.com/cavallo-winery-ltd)

Contact details for the Receiver are:

**The Bowra Group Inc.**

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**Disclaimer:** All information in this document is based on discussions with and information provided by Cavallo Winery Ltd. without an independent verification by the Receiver. The Receiver does not make any representations (be they expressed or implied) or warranties as to the accuracy or completeness of the information and shall have no liability for any representations or omissions contained herein. The prospective purchasers should conduct their own investigation, analysis and due diligence relating to Cavallo's assets and any of the information contained in this document.