

ACQUISITION OPPORTUNITY

TBA BEVERAGE INC.: Beer, wine and spirit producer

Business Overview

TBA Beverage Inc. (“TBA” or “the “Company”) is an established and diversified producer of a full range of alcoholic products, including a variety of beers, wines, and spirits. The Company currently operates from its production facility located in Vancouver, British Columbia. TBA previously operated as Craft Collective Beerworks.

TBA commenced operations in 2016 and achieved over \$9 million in sales in 2019. TBA’s income is derived from the production and sale of its own house brands of beers and the production of third-party alcohol beverages on a contractual basis. TBA is Federally and Provincially licensed to produce, sell and store alcoholic beverages.

Investment Highlights

Operations

- Vancouver production facility with the capacity to produce 5,000 hectoliters of beer per month;
- Three house brands of beer;
- Established distribution network across western Canada; and,
- The Company produced approximately 22,000 hectoliters of beer and 25,000 hectoliters of packaged ready to drink beverages (“RTD’s”) in 2019. Management estimates that approximately 64% of production capacity was used.

Brands

The Company produces and sells the following brands:

- Haus Lager;
- Spectrum Beer Company;
- Phantom Beer Company;
- Odin (license agreement); and,
- Doan’s Craft (license agreement).

Liquor Licenses

- Federally and Provincially licensed to produce, sell and store beer, wine and spirits. The licenses are in good standing.

Production Capacity

- Maximum production capacity of:
 - 5,000 hectolitres of beer per month; or,
 - Mix and package 8,333 hectolitres of RTD’s per month; or,
 - Producing 30,000 liters of hand sanitizer per month.



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Logistics

- Production facility located near downtown Vancouver; and,
- Established distribution and customer network from B.C. to Ontario.

Contracts

- Third party contracts to produce beer, tea and hand sanitizer.

Opportunity

TBA filed a Notice of Intention to Make a Proposal (“NOI”) on April 14, 2020. The Bowra Group Inc. was appointed as the Proposal Trustee. On May 13, 2020 the Proposal Trustee was authorized to commence a sales process for the assets of TBA pursuant to an Order of the Supreme Court of British Columbia.

The assets consist of:

- Sales contracts;
- Licenses;
- Trademarks (3 pending registration); and,
- Fixed assets.

The Proposal Trustee is inviting qualified parties to purchase the assets of TBA. Please note that preference will be given to en bloc offers.

Sale Process

A summary of the sale procedure (the “Sale Process”), including the key dates below:

Process Step	Dates
Sales Process Start Date	May 14, 2020
Due Diligence	May 14, 2020 – July 14, 2020
Bid Deadline	July 14, 2020
Bid Review and Selection	July 22, 2020
Court Approval	August 4, 2020
Estimated Closing Date	August 7, 2020

The bid deadline for offers is 4:00PM local time in Vancouver, British Columbia on July 14, 2020. The Proposal Trustee may, without notice, terminate the Sales Process at its discretion.

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To participate in the Sales Process, parties must deliver the following to the Proposal Trustee:

- An executed non-disclosure agreement (“NDA”); 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.

Qualified parties that are interested in exploring this opportunity and would like to obtain an NDA should contact the Proposal Trustee as follows:

The Bowra Group Inc.
Chris Bowra
(604) 608 6242
cbowra@bowragroup.com

For further information, please visit our website www.bowragroup.com/tbabeverageinc.

Disclaimer: All information in this document is based on discussions with and information provided by TBA without independent verification by the Proposal Trustee. The Proposal Trustee does not make any representations or warranties (be they expressed or implied) 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 TBA's assets and any of the information contained in this document.