

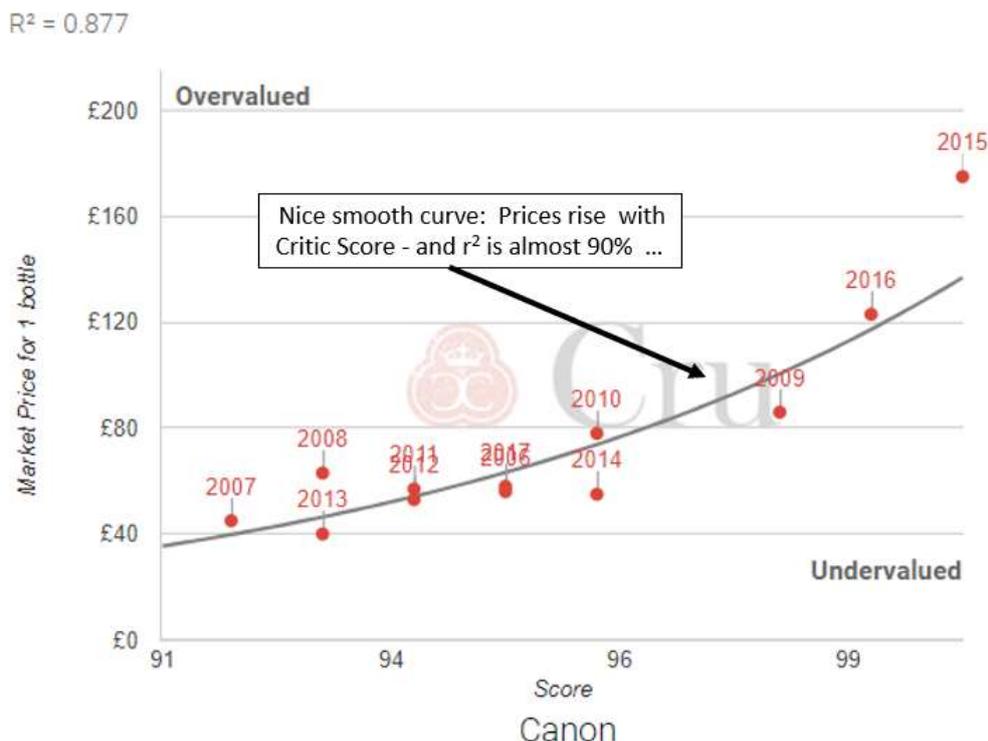


Opus One 2013 & 2014 Inefficient Pricing Creates Opportunities

- **Opus One** is a joint-venture between **Robert Mondavi** and Bordeaux's **Baron Philippe de Rothschild** (of Château Mouton-Rothschild).
- Opus One has become a **major collectable wine** around the world, with excellent historical performance.
- Opus One is **not efficiently priced** by the market at the moment. Its Price / Score curve slopes downwards, with a low r^2 . This creates a buying opportunity in the **2013** and **2014** wines, which the graph shows to be significantly undervalued versus older vintages.
- **Opus One 2013** scores **100 points** from James Suckling, the first Opus One to receive a perfect score. Fair Value is around £2,000/6, giving **upside of over 27%**.
- **Opus One 2014** scores **97 points**. This is the second highest score achieved by Opus. Fair Value is around £1,775/6, offering a **return of 21%**.

How Fine Wine Prices are Supposed to Look

Fine Wine prices generally follow a smooth curve. The higher the critic score, the higher the price. Bordeaux's **Château Canon** illustrates the point. All the recent vintages of Canon are very close to the 'best fit' regression line (price against score), and the r^2 is 88% (which means the relationship is very strong).

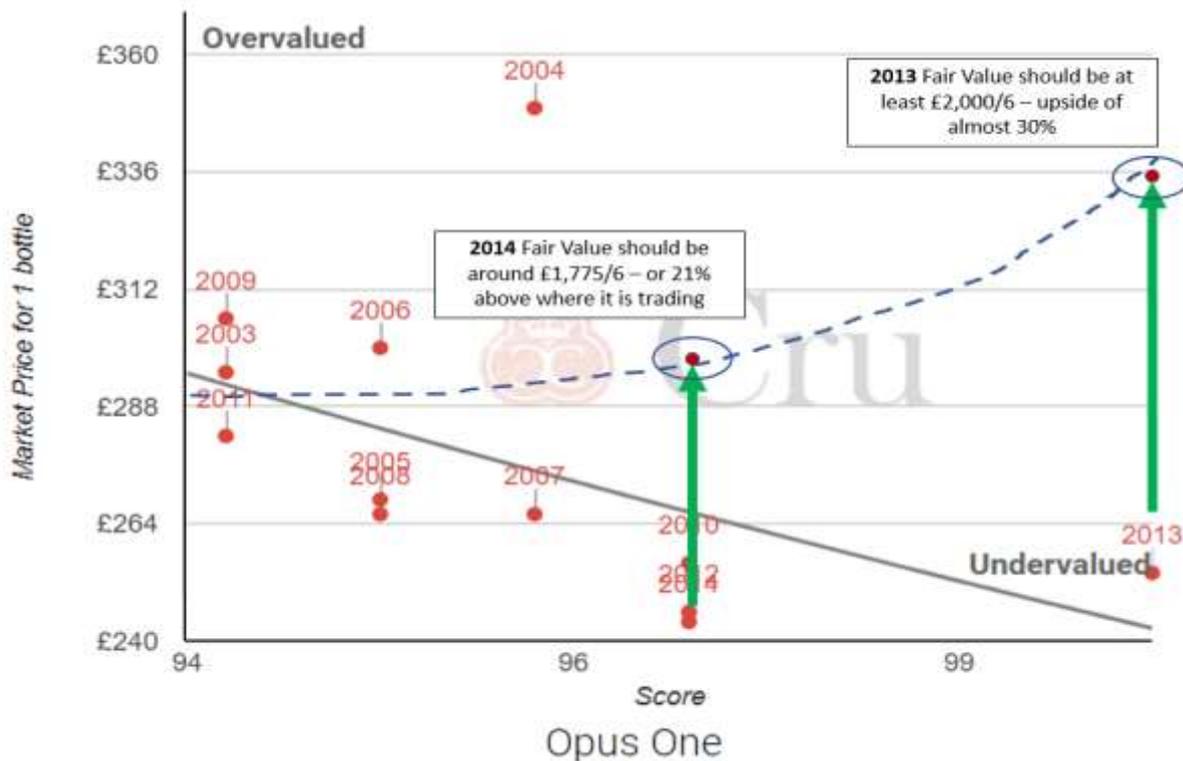


Opus One Pricing is Not Yet Efficient ...

But Opus One pricing is all over the place. There is very little correlation (currently) between score and price.



We believe it is only a matter of time before the market prices Opus One efficiently. We have tried to calculate what that would mean for the 2013 and 2014 wines:



We predict that once the market settles the pricing will look more like the graphic above. In numeric terms, this means:

Wine (6x75cl)	Current Price	Fair Value	Upside	Score
Opus One 2014	£ 1,465	£ 1,775	21.2%	97 (JS)
Opus One 2013	£ 1,570	£ 2,000	27.4%	100 (JS)

Opus One 2013:

- Opus One 2013 scores **100 points** from James Suckling, the first Opus One ever to receive a perfect score.
- To be consistent with other fine wine Price / Score curves, we estimate that Opus One 2013 Fair Value to be **not less than £2,000/6**.
- **Upside potential is almost 30%**, from current offer price of £1,570.

Opus One 2014:

- Opus One 2014 scores **97 points** from James Suckling, the joint second highest score ever.
- This wine should also benefit as the Opus One **pricing curve gets more efficient**.
- We anticipate this wine correcting upwards to around **£1,775/6**, giving **upside of over 21%**.

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