

**MARKET RELEASE**

24 December 2020

**Settlement of Auckland Property Sale**

Cavalier Corporation Limited (NZX: CAV) advises that the sale of its Auckland property to Manukau Industrial Holdings Limited for \$25.5 million has settled.

Cavalier will lease back the property for a 14-year term, with a further right of renewal for six years, from the new owners.

The \$25.5 million is an increase of \$900,000 on the earlier contract with Kinleith Land and Infrastructure Limited (Kinleith) which Cavalier cancelled for failure of Kinleith to pay its deposit.

The net proceeds from the sale will be used to provide:

- additional liquidity and funding during the current uncertain operating environment;
- a sound financial footing to better capitalise on the expected eventual recovery in the carpet market; and
- the financial resources to undertake Cavalier's strategic transformation to the all-wool and natural materials business model.

ENDS

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