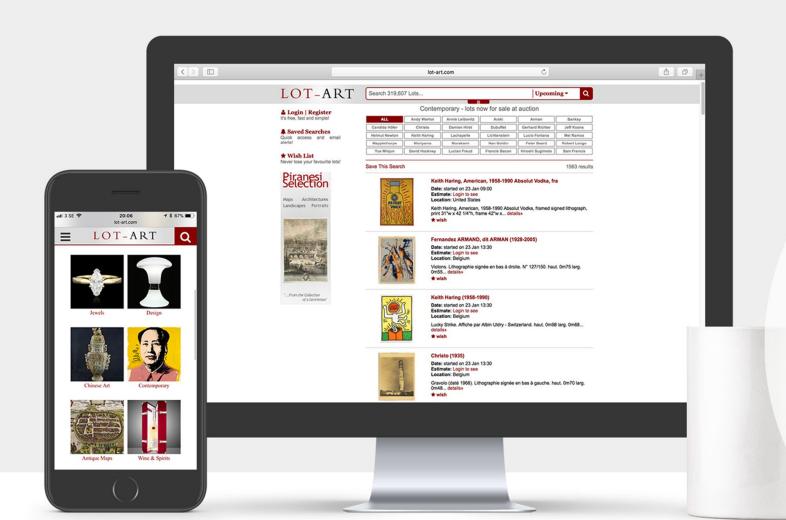
LOT-ART

WORLDWIDE AUCTIONING MADE EASY



Art

Investment

Effective Alternative for Portfolio Diversification

The Reason – The Tool – The Method

Why Investing in Art is a Winning Strategy of Portfolio Diversification?

More rewarding than standard financial products

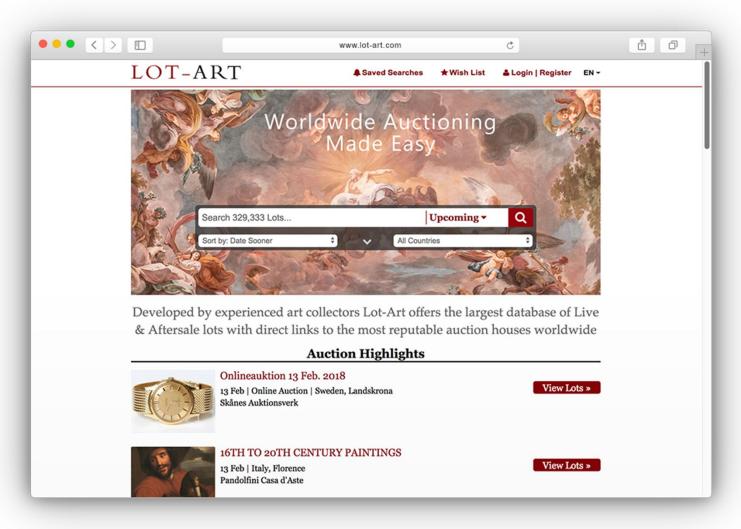
- Esthetic Pleasure (beauty & harmony of the colors, shapes, composition)
- Prestige of Ownership (artwork as non-fungible and unique asset)
- Historical Value (age and provenience)

Art offers financial and risk diversification benefits (capital conservation)

- Less sensitive to macroeconomic factors affecting stocks, bonds, funds (inflation, interest rates)
- Less Volatile in Economic Value (when proper diversification strategies are followed)
- Capital protected from extreme economic events (currency depreciation, company bankruptcy)
- Art can hold long-term multigenerational wealth (tax incentives in some countries)
- Source of liquidity in hard currency (collateralization for secured lending, international resale)



LOT-ART: The Almighty Eye on the World of Auctions



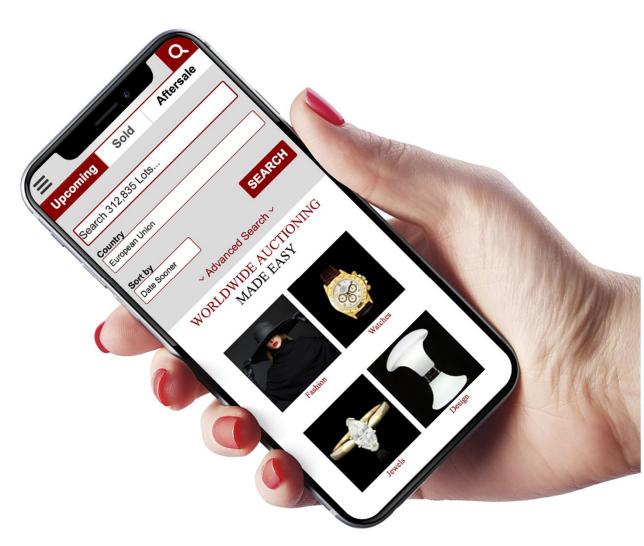
LOT – ART enhances Transparency and Efficiency in the art market by providing collectors with an allview auction round of sales worldwide (Price - Place - Time), covering the full life cycle of a lot: **Upcoming, Sold and Aftersale**



LOT-ART: A Platform to Identify the Best Art Investment Deals

- ✓ The world largest online auctions' aggregator:

 Average 400.000 live lots available daily
- ✓ Direct links to reputable auction houses worldwide: all-round view of auction sales from a single portal
- ✓ Advanced listing and searching services: focused multi-keyword searches
- ✓ Overview of the full life cycle of a Lot:Upcoming Sold Aftersale
- ✓ Synergic Cluster of services to Collectors:
 Search Manage Compare Sell Invest





Art Investment Key Success Factors

Expertise: Don't buy what you don't know (positive asymmetry of information buyer/seller) ☐ Capital Conservation: hold it as a long term investment (inflation & forex risk protection) ☐ Short Term Speculative: capital gain based on on price gap primary / secondary market Liquidity: purchase price Vs. average sale price at auction (Forced sale value) ☐ Risk Management: Diversify in old master, modern art, contemporary art, jewelry ☐ Collective Value: 1+1 > 2 related items together are worth more than single objects alone ☐ Geo Arbitrage: buy in country of low relevance & resell in the market of highest relevance

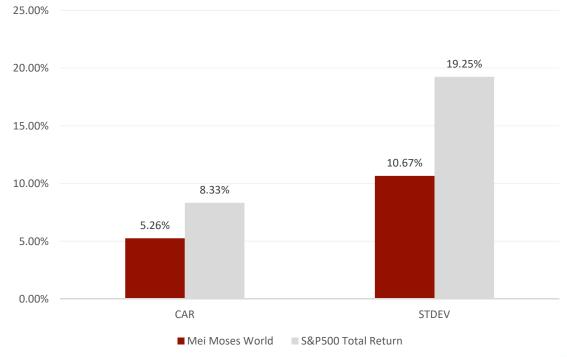


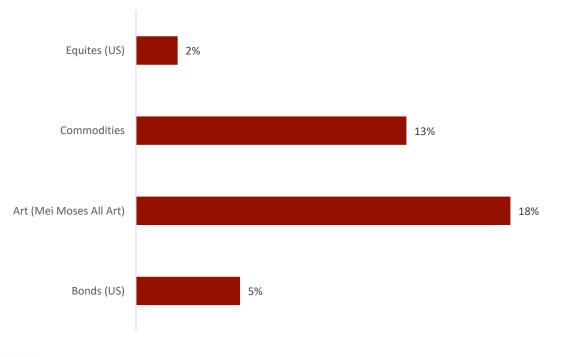
Risk Diversification

The low correlation of art to equities & traditional asset classes provides valuable portfolio diversification

Compound Annual Return (CAR) and Standard Deviation (STDEV) of Mei Moses World index and S&P500 over the last 20 years*

Art return is the highest in times of high/rising inflation**







^{**}Source: www.huffingtonpost.com

Building an Art Investment Portfolio

Diversification Strategies in line with investor's risk profile

A) Old Masters & Modern Art

- ✓ Lower price volatility
- ✓ High price gap primary/secondary MKT
- ✓ Capital conservation (long term)



Pablo Picasso - Jacqueline

B) Contemporary (Emerging)

- ✓ Lower purchasing price
- ✓ Potentially higher returns
- ✓ Higher volatility / High risk



Magnolia Laurie - a series of marks, a history of procedures



C) Contemporary (Established)

- ✓ More speculative A but less volatile B
- ✓ High price gap primary/secondary MKT
- ✓ Capital conservation & profitability



Christo – Project for the Mastaba in Abu Dhabi

LOT - ART Investment Advisory

Helping Investors to become Collectors (Purchase, International Storage & Resale)





Selection Criteria

- ✓ Quality: CR, popularity of the subject
- ✓ Provenience, Authenticity
- ✓ Attractiveness: Price gap Auction Vs. Gallery
- ✓ Price Trend of the Artist
- ✓ Geographical Arbitrage

Investor's Preferences

- **✓** Taste
- **✓** Budget
- ✓ Financial Objective (Speculat./Cap.Conserv.)
- ✓ Risk profile Price volatility of art segment
- ✓ Special Requirements

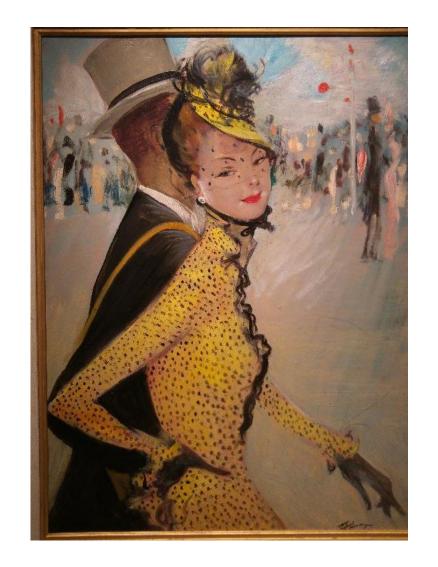


Jean-Gabriel Domergue, French (1889 – 1962) Elegant Couple at the Races, oil on board, Size 68 x 47 cm

Price at Auction, France 2012 (Hammer + premium) Euro 19,000

Price at Art Gallery 2017 (TEFAF) Euro 110,000

Price Gap Euro 91,000





Massimo Vitali, Italian (living)

Spiagge Olandesi "Bloemendaal", chromogenic print on PVC under Plexiglas Size 150 x 181 cm Ed. 4/9

Price at Auction, London 2018 (Hammer + premium) Euro 12,300

Price at Art Gallery 2018 (Artnet) Euro 35,000

On sale with partner gallery in Amsterdam **Euro 29,000**





North Netherlandish School, about 1600. A rocky landscape with numerous figures and a naval battle, oil on canvas, Size 122 x 192 cm

Price at Auction, Vienna2018 (H + p) Euro 34,000

Price at Art Gallery 2018 (TEFAF) Euro 80,000 – 120,000

On sale at partner gallery in Amsterdam Euro 60,000





Milo MANARA, Italian (living)

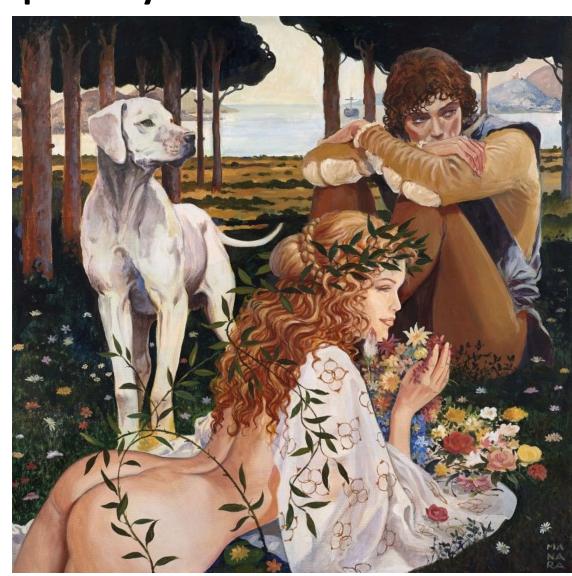
Hommage à Botticelli, Acrylic on canvas inspired by Sandro Botticelli.

Size 100 x 100 cm

Price at Auction, Paris 2018 (H + p) Euro 15,600

Price at Art Gallery 2018 Euro 35,000 – 50,000

On sale at partner gallery in Amsterdam Euro 28,000



Fabienne Verdier, French (living) ASCÈSE – BLEU DE L'OUTREMER, mixed media on canvas, Size 183 by 135 cm

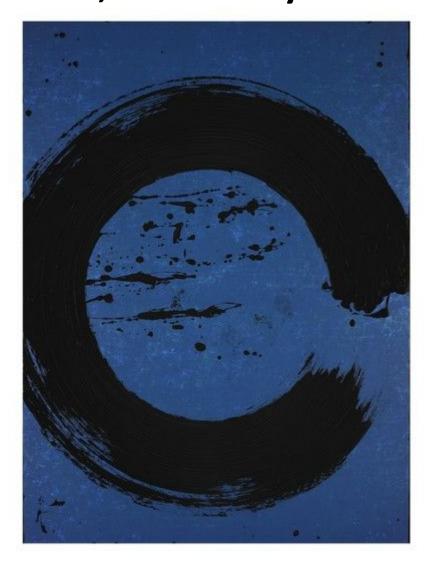
Auction house: Sotheby's

Date: 01 Apr 2018

Hammer + Fees: € 112,000

Location: Hong Kong (China)

Price at Art Gallery, 2018 (TEFAF)
Euro 170,000 (similar size, single piece)





NICOLAS L'ARMESSIN (1684-1755), 18TH CENTURY ENGRAVING,

Battle of Poltava (1709). Size 52 x 71.5 cm



ЖОРОЛЕВСКАГО ВЕЛИЧЕСТВА <mark>КАРОЛА XII МЧІНІВШ</mark>ЕЙСЯ НЕПОДАЛЕКУ ОПОЛТАВЫ ІЮНІЯ ВЪ 2.7 ДЕНЬ 1.709

Vasi Giuseppe, Prospect of the city of Rome from the Monte Gianicolo, 1765 Etching on paper, monumental panorama of Rome, Size 105 x 261 cm Price at Auction: Euro 6000-9000, Price at gallery (Rome): Euro 25,000



Thank You!

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