

LESKOVAR
FINE ART



ARTINVESTMENT

Thoughts on the art of making money – a guide for collectors & investors

PERSONAL DETAILS

- ▶ Over 30 years of passion in the art business
- ▶ Over 70 international art fairs in focus
- ▶ Over 250 exhibitions organized in own galleries
- ▶ Over 1,000 high-quality artworks sold



MY KNOW-HOW

FINE ART DEALER WITH A FOCUS ON ARTINVESTMENT SINCE 2019

- ▶ Specialization in Pop Art
- ▶ Overview of the worldwide market development
- ▶ Network of collectors & investors, sellers & buyers



MY PASSION

“The real secret
of success is
enthusiasm”

Walter Chrysler



WHAT IS ARTINVESTMENT?

- ▶ An investment alternative in tangible assets (paintings, sculptures, graphics)
- ▶ A direct investment with high appreciation potential
- ▶ The art of successfully investing and growing capital in art: simple – secure – transparent



WHY ART INVESTMENT?



“ Art surpasses cars and watches as the fastest growing luxury good, with the value of investments increasing by an average of 29 % last year (2022) outpacing global inflation as well as equities and gold. “

“The Times”, 2023

“ One of the greatest preservers of value is art! “

Larry Fink, CEO BlackRock

WHY ARTINVESTMENT?

- ▶ **„84 % of European asset managers say their clients want to invest in art (up from 69 % in 2017).“**
- ▶ **„77 % of European wealth managers actively offer art investments to their clients (up from 64 % in 2017).“**
- ▶ **„76 % of art investors value art investments for the easy and secure transfer of wealth to the next generation.“**

Deloitte, Art & Finance Report 2019

WHY ARTINVESTMENT?

All of the individuals and companies listed below hedge part of their assets with the tangible asset of art in order to avoid losses.

Edouard Carmignac | Roland Berger | Schrauben Würth | MUNICH RE | Brad Pitt | Elton John | Commerzbank AG | Harald Falckenberg | Deutsche Bank AG | Madonna | AXA Versicherung AG | Leonardo di Caprio | Bank Julius Bär AG | National-Bank AG | Jack Nicholson | DZ Bank AG | ADAC HypoVereinsbank | Barbara Streisand | UBS AG | Gunter Sachs | Deka Bank | Deutsche Girozentrale | Osram AG | Allianz AG | Kienbaum Consultants | Berliner Volksbank eG | Bayer AG | WGZ Bank AG | Michael Ballack | Deutsche Telekom AG | Galeria Kaufhof | Europäisches Parlament | ING Bank AG | Deutsche Börse AG | Beyoncé Knowles | Sal. Oppenheim | etc.

WHY ART INVESTMENT?

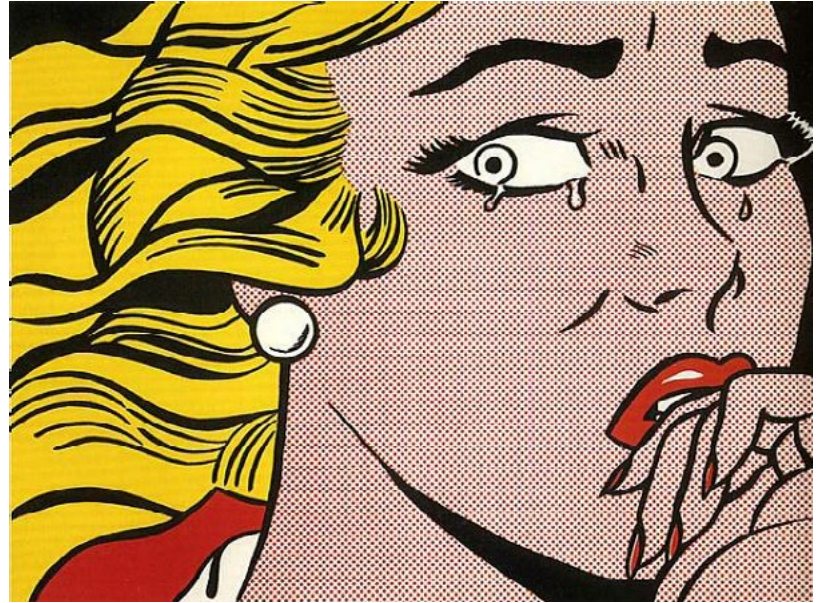
- ▶ **REINHOLD WÜRTH** has its own museum and owns an art collection of 20,000 artworks.
- ▶ **DEUTSCHE BANK** owns over 55,000 artworks by more than 5,000 artists from 40 countries.
- ▶ **UBS BANK** has an art collection comprising 30,000 artworks.
- ▶ **ING BANK** has an art collection comprising 11,000 artworks.



WHY ART INVESTMENT?

” If you are looking for something stable, it is better to invest in art. “

Alan Greenspan, EX CEO US Federal Reserve



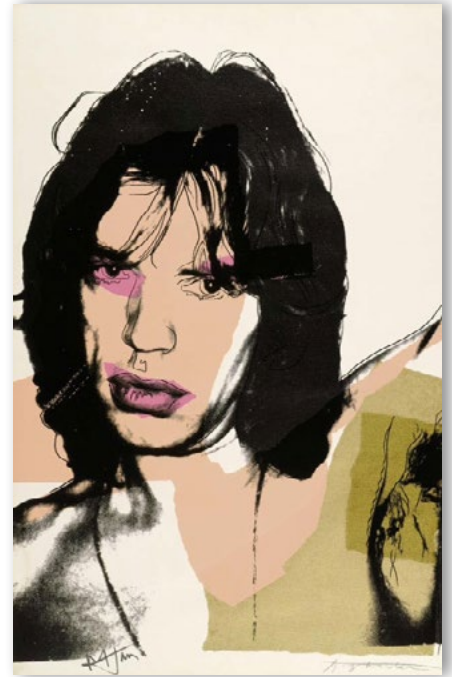
MOTIVES FOR ART INVESTMENT

Blue chip art offers security and the chance of above-average capital appreciation.

Art also stands for

- ▶ an emotional return,
- ▶ inspiration and prestige as well as
- ▶ cultural values.

An investment in art is always also an investment in mindset & aesthetic enjoyment and in education & culture.



ARGUMENTS FOR ART INVESTMENT

- ▶ Diversification of your portfolio = stabilization of your investment strategy.
- ▶ Art has a low correlation compared to other asset classes such as equities or bonds = diversification of risk.
- ▶ The art market is highly resilient to the capital market.



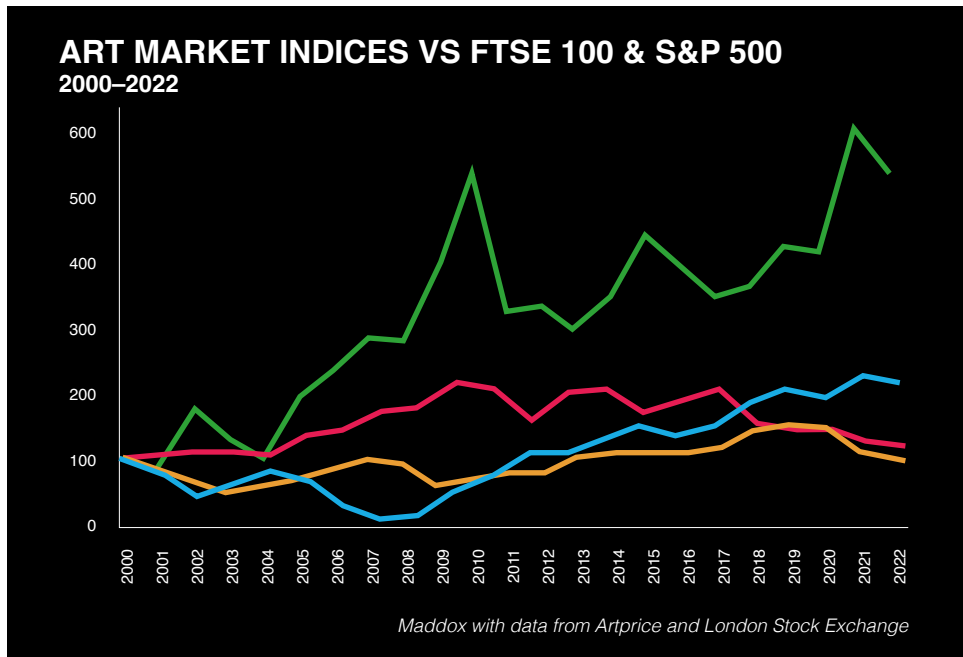
ARGUMENTS FOR ARTINVESTMENT

- ▶ Art is a global currency because it can be traded worldwide.
- ▶ Pieces of art are real assets that are independent of the financial market.
- ▶ Art offers security and protection against inflation, as its value generally rises in line with inflation.



MAIN REASON FOR ART INVESTMENT

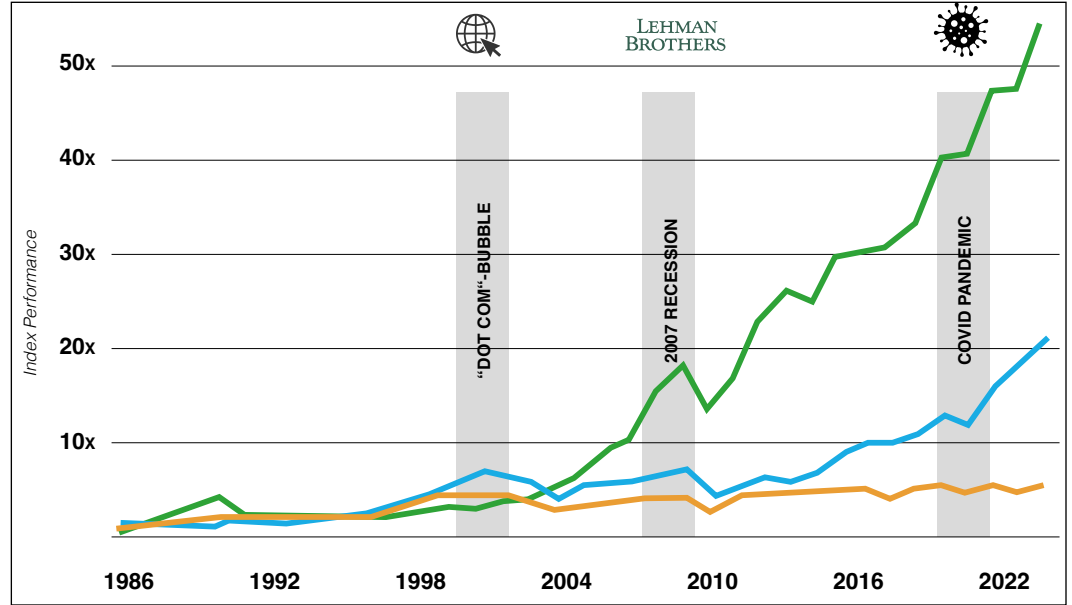
- ▶ Over decades, no other commodity has been able to increase capital as sustainably as art.



Source: Artprice Market Report 2022

■ Contemporary Art Index ■ All Art Index ■ Financial Times Stock Exchange Index ■ S&P 500 Index

LONG TERM INDEX PERFORMANCE

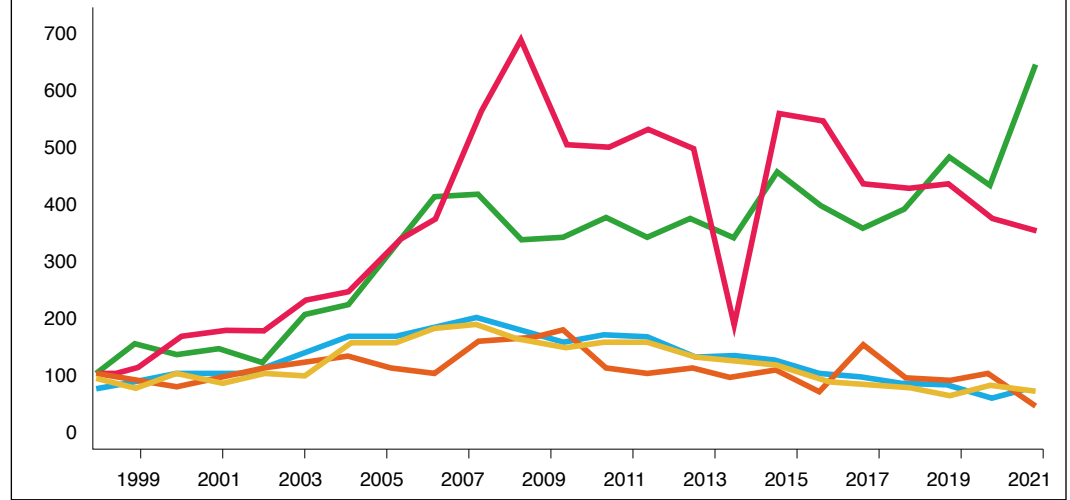


Source: Artprice Market Report 2021

■ Liveart Index ■ Financial Times Stock Exchange Index ■ S&P 500 Index

LONG TERM INDEX (1999 – 2021)

LAST 24 YEARS: ARTPRICE INDEX BY PERIOD



■ Contemporary Art ■ Post war ■ Modern ■ Old Masters ■ Kunst des 21. Jahrhunderts

Source: Artprice Market Report 2021

GLOBAL BOOM IN ART INVESTMENT

- ▶ The market for international contemporary art has been developing very positively for 55 years and has an annual performance of

10.95 %

Source: Deloitte Art & Finance Report 2023

- ▶ In the last 20 years sales of contemporary art have risen by

300 %

Source: UBS Art Market Report 2023

CONTEMPORARY ART AUCTION MARKET



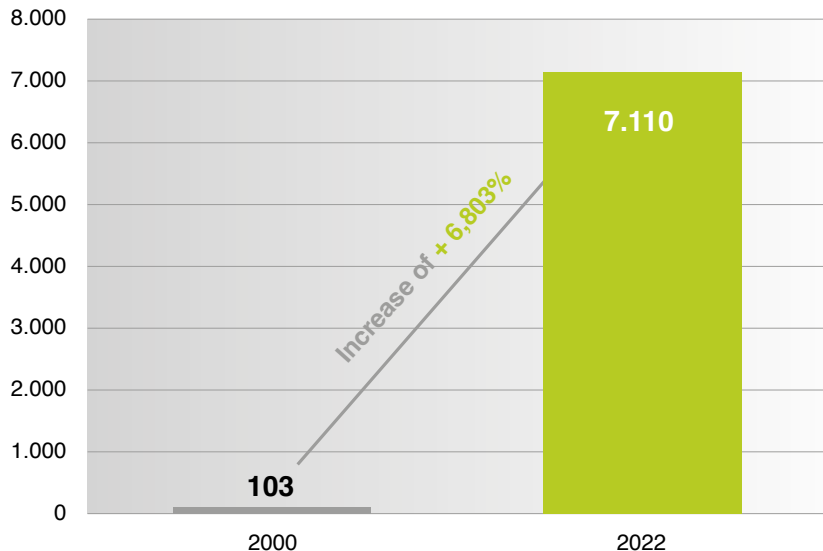
- ▶ Auction turnover 2000: € 103 million
- ▶ Auction turnover 2022: € 7.1 billion

Today, “Post War & Contemporary Art“ is a hard global currency because it is traded worldwide.

Artworks can greatly increase in value over time. This is partly due to the limited availability of artworks and partly due to the increasing demand for art from all parts of the world.

POST WAR & CONTEMPORARY ART

Turnover in € million



▶ Auction turnover 2000: € 103 million

▶ Auction turnover 2022: 7.1 billion

= Increase of **+6,803 %** in 22 years
or **+ 309.23 %** p.a.

The „Post War & Contemporary Art“ index
has developed best in the last 20 years.

Source: UBS Art Market Report 2023

TAX ADVANTAGES THROUGH ARTINVESTMENT

- ▶ **free from profit tax*** (under certain conditions, if the artwork is sold again (ata profit) after a „holding period“ of more than one year)
- ▶ **free from inheritance tax*** (if transferred accordingly)
- ▶ **free from VAT*** (under certain conditions)
- ▶ **protection from third-party access / EU register***
- ▶ **international asset transaction***

* depending on the country in question, different regulations must be considered

ARTINVESTMENT IN COMPARISON: REAL ESTATE

Art = mobile, real estate = immovable
= very low running costs*
= significantly lower initial investment
= does not wear out

* Storage in a climate-controlled, highly secured art warehouse/customs warehouse

* Insurance

* Management fee for your art portfolio of 1.5 % of the value p.a.

ARTINVESTMENT IN COMPARISON: SECURITIES

- Art = generally higher returns
- = excellent resilience
- = instrument for diversifying the portfolio

ART MARKET: GLOBAL TURNOVER (2022)

\$ 67.8 billion: Auction houses (\$ 26.8 billion)
 Dealer (\$ 37.2 billion)

USA: 45 %
UK: 18 %
China: 17 % (2023: Rise to 2nd place)
EU-Europe: 14 %
Switzerland: 2 %

PASSION-INVESTMENT

With this type of investment, the investment decision is not made on the basis of a profit report, but on the basis of an interest or passion for one or another valuable object such as

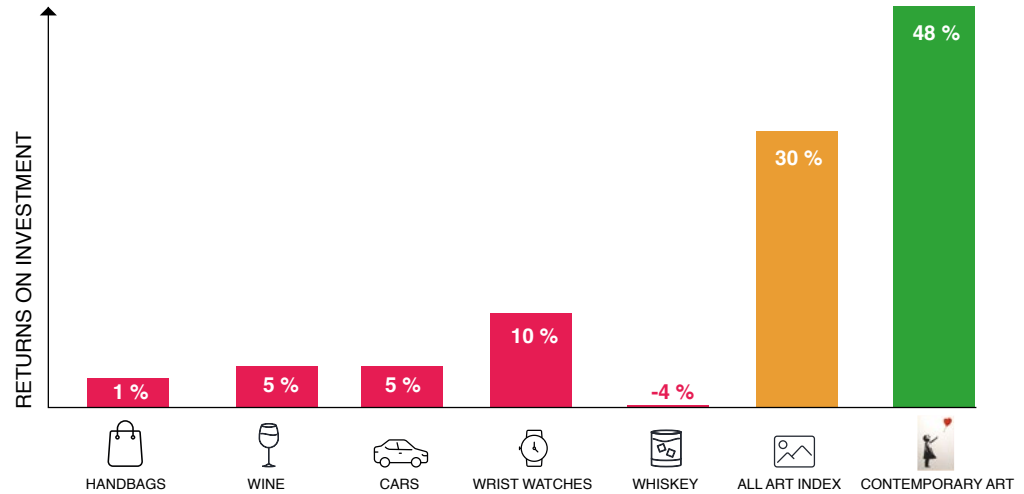
art | diamonds | colored gemstones | oldtimer |
jewelry & watches | collectible coins | fine wines |
antique furniture | luxury handbags.

„PEOPLE
WHO HAVE A
LOT OF MONEY
OFTEN INVEST IN
THINGS THAT
ARE FUN.“

Quelle: Süddeutsche Zeitung

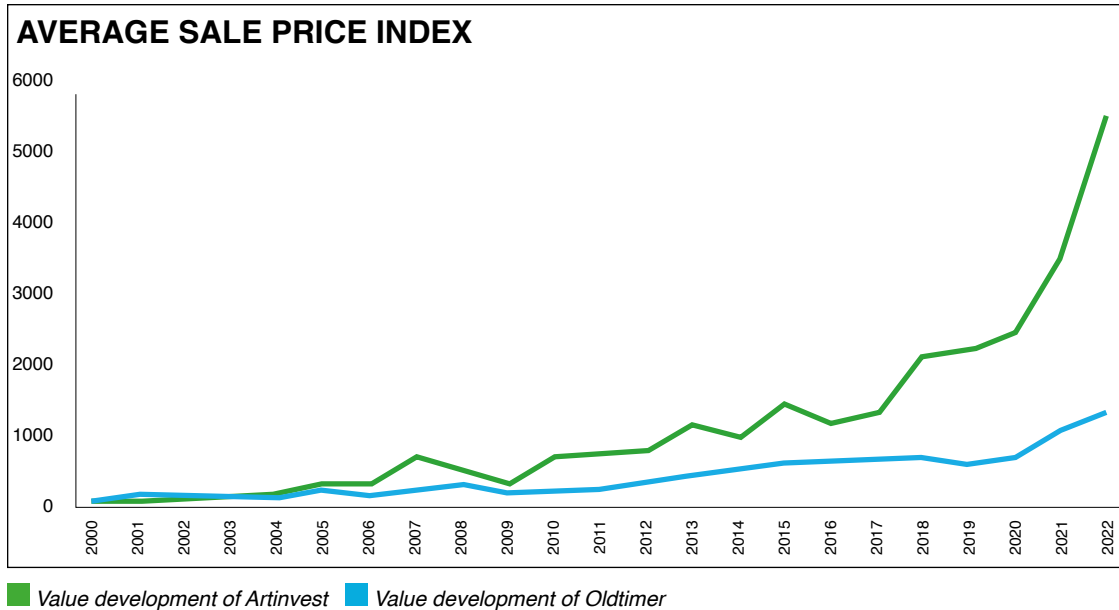
VALUE DEVELOPMENT OF PASSION-INVESTMENT

INDEXED PASSION ASSET RETURNS ANNUALISED RETURNS ON INVESTMENT IN 2023



Source: Wealth Report by Knight Frank 2023

ARTINVESTMENT CLEARLY BEATS OLDTIMER



Sources: Credit Suisse;
Revolver 2023 (Warhol,
Print Market Report)

VALUE DEVELOPMENT 2023

29 %

“Art was the top performing luxury investment, rising by 29 % in the last 12 months.

By contrast, cars only grew by 5 % over the same period.”

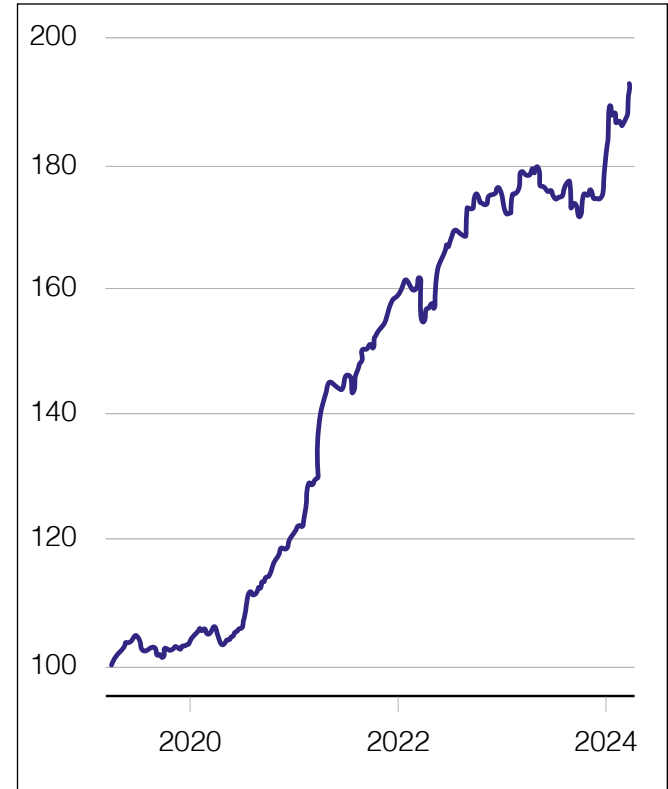
Source: Knight Frank Wealth Report 2023

VALUE DEVELOPMENT ANDY WARHOL EXAMPLES

ANDY WARHOL PRINT INDEX (5 YEARS)

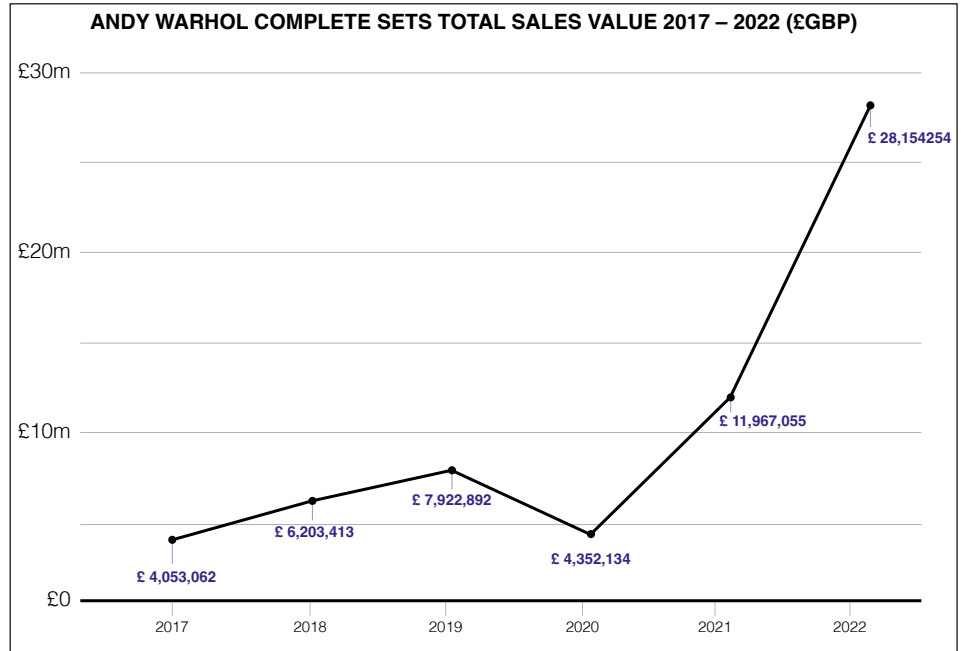
Curated index derived from public auction data, including hammer prices, sell through rates, last bid price on unsold lots and private sales & valuations.

Source: MyArtBroker



VALUE DEVELOPMENT ANDY WARHOL EXAMPLES

Source: MyArtBroker



PROVENANCE VALUE FACTOR

“Mao 1972” – Andy Warhol

Easy-Rider-Star Dennis Hopper Collection
was auctioned for ten times its estimated value.

Estimate: \$ 30,000 to \$ 50,000 US dollars

Result: \$ 302,500 US dollars

Sales info: January 2011 at Christies, NY



SUCCESS STORIES

“Brigitte Bardot“ – Andy Warhol

Gunter Sachs Collection

Price: € 3.7 million

Sales info: May 22/23, 2012, Sotheby's London



SUCCESS STORIES

“Shot Sage Blue Marilyn” – Andy Warhol

Price: \$ 195 million

It is the most expensive modernist painting ever auctioned.

Sales info: May 2022, Christies, NY



ARTINVESTMENT – WHAT ARE YOU WAITING FOR?

- ▶ I will provide you with comprehensive and precise advice in personal meetings. Together we will work out your interests, wishes and needs. You will name a financial framework.
- ▶ I will begin to find the best and the most promising blue chips currently on the market exclusively for you. I will quote a purchase price, inform you of the expected medium-term profit and detail the fixed costs incurred until resale.
- ▶ You will commission the purchase, the artwork will either be sent to the bonded warehouse or delivered free to your home and, of course, insured.

ARTINVESTMENT: THE PRACTICAL PROCESS

When you invest in a work of art with
LESKOVARFINEART, there are **2 OPTIONS**:

▶ **ART in your private home**

Your artwork comes to your home!
*The picture hangs on your wall and you can
enjoy it every day and view your investment
(= emotional return).*

▶ **ART in the art depot**

Your artwork remains in an art depot for the
duration of the investment.
*The highly secure and fully air-conditioned storage
facility is under video surveillance around the clock.*

ART TRANSACTIONS: SUCCESS STORIES

Keith Haring

Title: A poetic extravaganza - Luna Luna

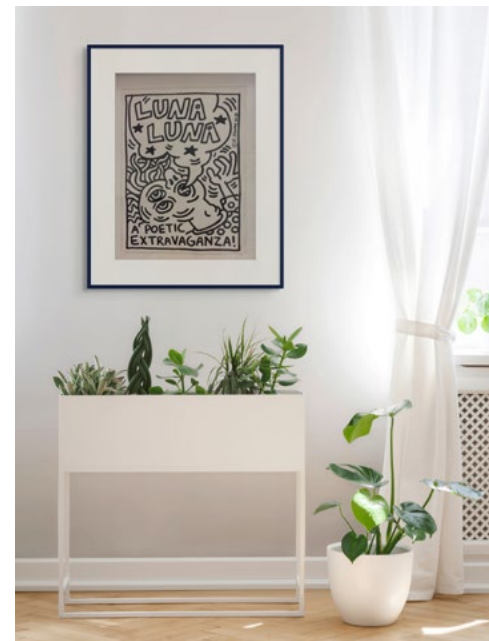
Year: 1986

Dimensions: 76 x 56 cm

Medium: Sumi ink drawing on paper

Details: signed; dated 86 frontally on the right edge

Provenance: Andre Heller Private Collection Vienna



ART TRANSACTIONS: SUCCESS STORIES

Keith Haring

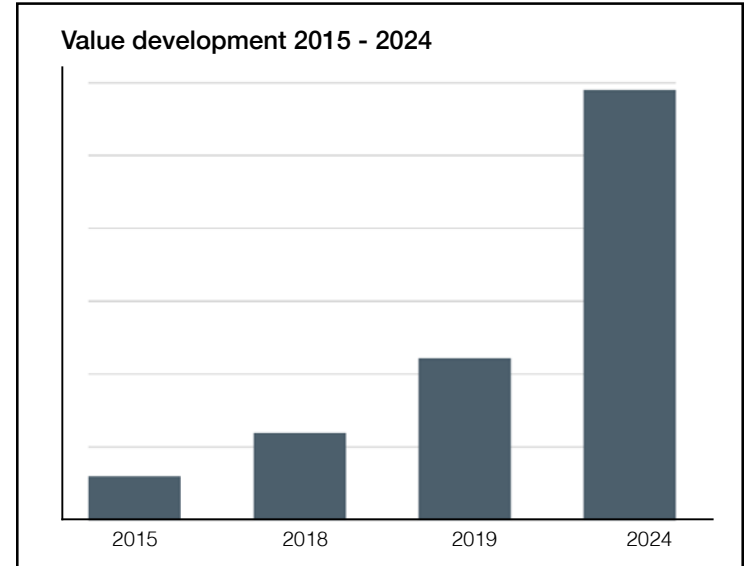
Title: A poetic extravaganza - Luna Luna

2015: Purchased from Andre Heller for **30,000 euros**

2018: Sold to private collector (Munich)
for **60,000 euros**

2019: Auctioned at Christies for **93,750 GBP!**
(Estimate in advance: 50,000 - 70,000 GBP)

2024: Market value of **300,000 - 350,000 US dollars**



ART TRANSACTIONS: SUCCESS STORIES

Andy Warhol

Title: Marilyn FS II.22

Year: 1967

Dimensions: 91,4 x 91,4 cm / Edition 250

Medium: silkscreen on paper

Details: signed and numbered on verso

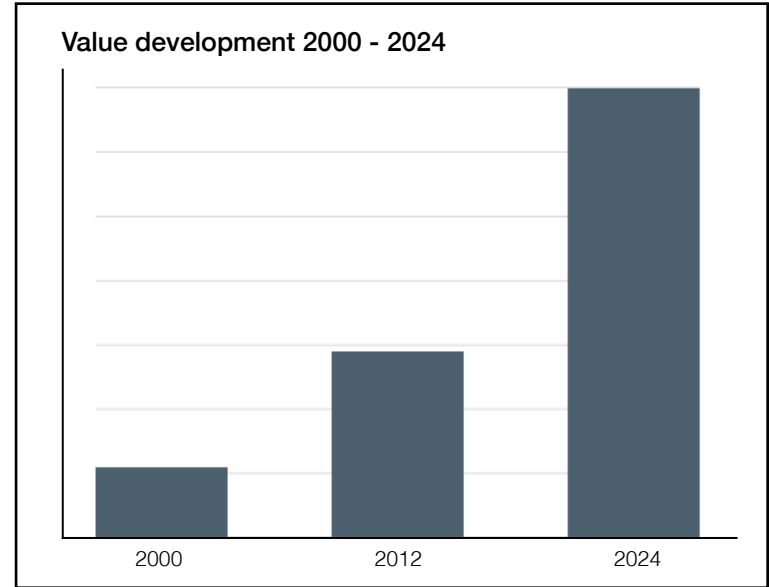


ART TRANSACTIONS: SUCCESS STORIES

Andy Warhol

Title: Marilyn FS II.22

2000: Market price of **55,000 euros**
2012: Sold for **145,000 euros**
2024: Market value of **350,000 euros**



ART TRANSACTIONS: SUCCESS STORIES

Roy Lichtenstein

Title: Forms in Space

Year: 1985

Sheet size: 90,6 x 131,8 cm

Image: 79,1 x 120,7 cm

Medium: screenprint in colors on Rives BFK paper

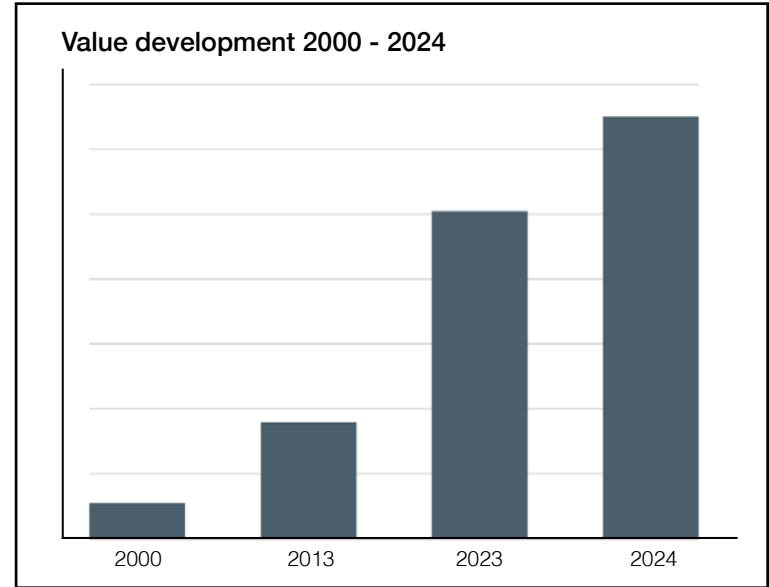


ART TRANSACTIONS: SUCCESS STORIES

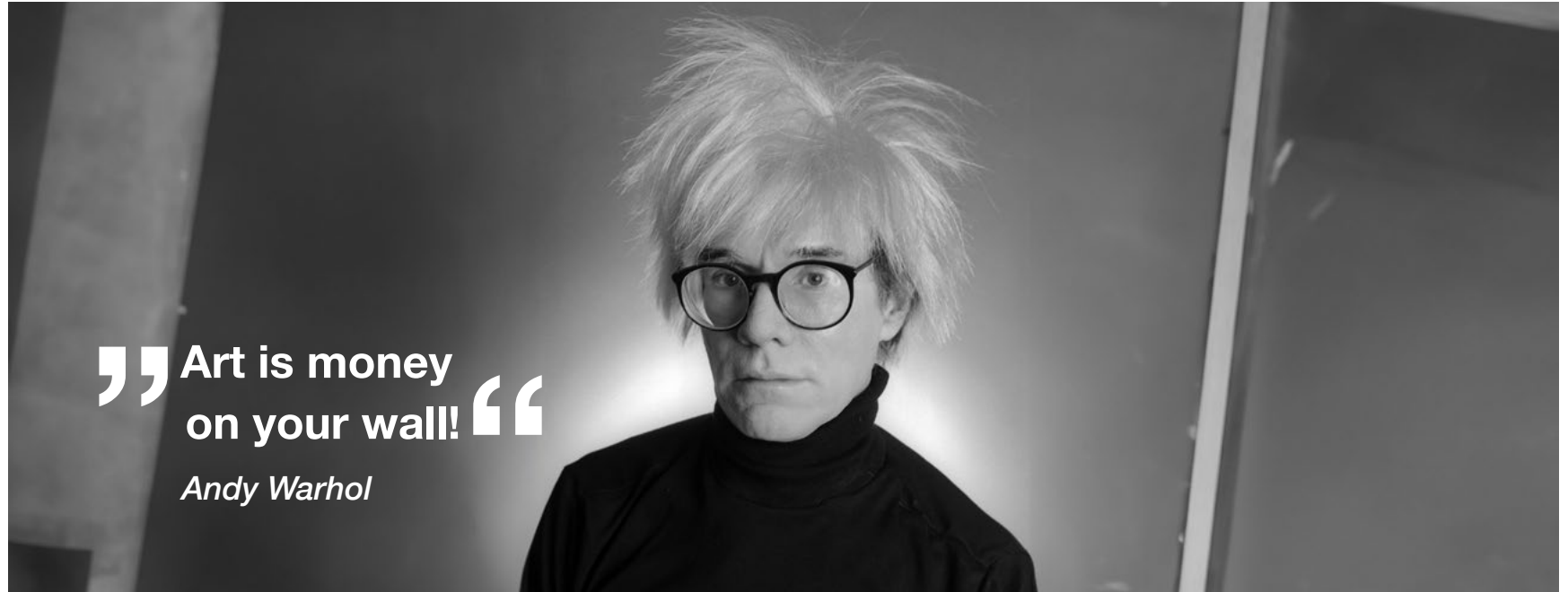
Roy Lichtenstein

Title: Forms in Space

- 2000: Market price of 11,000 euros
2013: Auction result of 36,000 euros
2023: Auction result of 101,000 euros
2024: Market price of 130,000 euros



ART = MONEY ON THE WALL



CASE STUDY: ARTINVESTMENT IN PRACTICE

If you would like to surround yourself with your artworks in your home, we can create a simulation for you.



ARTINVESTMENT COSTS

If the artwork is to spend its time in customs-free storage until it is sold, the following additional costs will be incurred:

- ▶ **for the acquisition: 5 % of the purchase price**
(research, mediation of the artwork, provenance and authenticity checks)
- ▶ **for storage: 800 euros one-off**
(takeover, packaging and storage in climate-controlled box, condition report by restorer, etc.)
- ▶ **for on-site fixed costs: 200 euros per month**
(costs for storage in climate-controlled box, insurance 0.5 per mille of value per month)

SAMPLE CALCULATION

An investment amount of	100,000 euros
With an increase in value over five years	40,000 euros
And a deduction of all costs	18,800 euros
Results in a tax-free profit of	21,200 euros

- ▶ **With an investment amount of 100,000 euros, you achieve a profit of 21,200 euros in five years with an 8 % increase in value p. a.**
- ▶ **There are no further costs, no customs duties and no profit tax.**

YIELDS CONTINUE TO RISE

- ▶ Currently, returns on selected blue-chip pop art works are well into double figures per year.
- ▶ Due to the high demand and economic conditions, there is no end to the boom in sight in the medium and the long term.

ARTINVESTMENT – WHAT ARE YOU WAITING FOR?

Investment in art

- = investment with passion
- = investment with potential
- = investment in security

Artinvestment with Leskovar Fine Art

- = investment with insider knowledge
- = investment with guarantee
- = investment in blue chips
- = investment in more profit

ARTINVESTMENT – A DELIGHT EVERY DAY

