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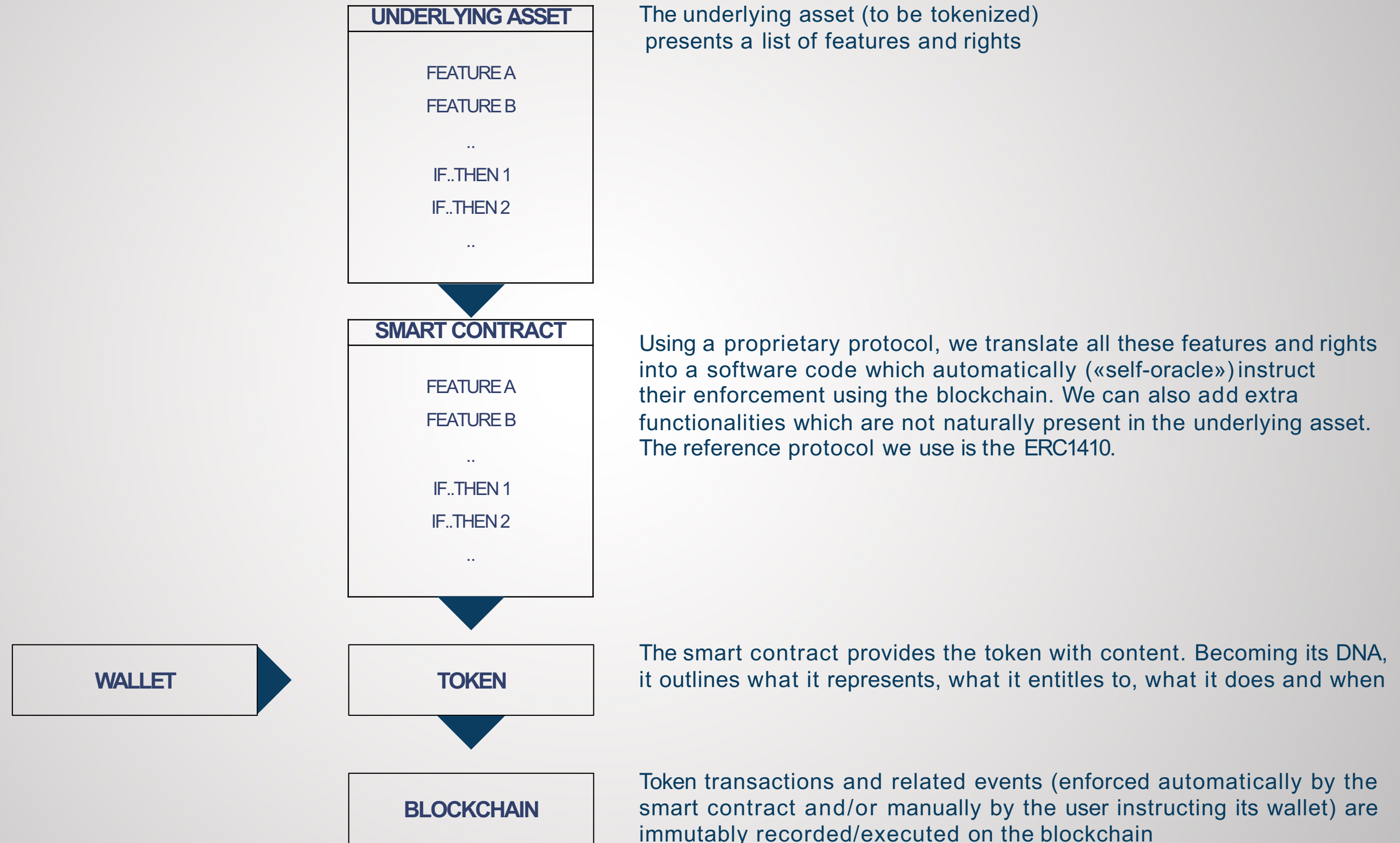


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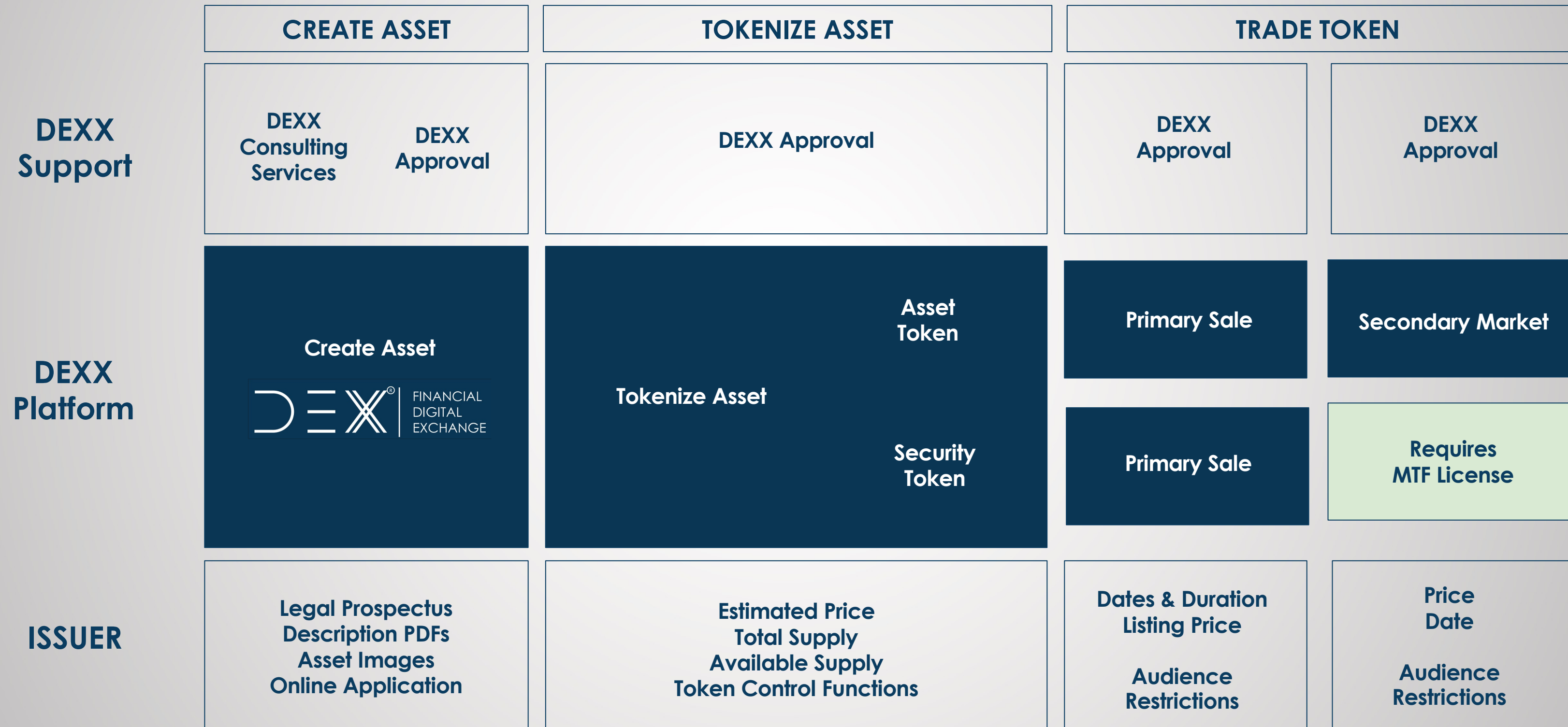
A LOOK LATERAL GROUP COMPANY

 LOOK LATERAL

# HOW IT WORKS: TOKENIZATION PROCESS



# HOW IT WORKS: TOKENIZATION AND LISTING FLOWS



## RATIONALE AND SCOPE

### What is being tokenized

The ownership right of an artwork.

### Type of underlying asset

Contemporary and modern paintings and sculptures, such as Fontana, Boetti, Lewitt, Ruscha, Magritte, Picasso etc, with expected annual returns indicatively in the 5-15% area\*. Under the basic protocol a pre-specified portion (up to 49%) of an artwork (or a group of artworks) is tokenized and sold to interested parties on the primary market. The majority owner maintains possession and is responsible for keeping the collateral safe, secure, and without incurring damage beyond normal wear and tear. There are no periodic cash flow rights for the basic token holders.

### Typical issuers

Museums, galleries, private/corporate collectors.

### Typical investors

Institutional, professional and retail investors as well, either directly, or indirectly through partners private banks and advisors.

### Attitude towards the asset class

Buy & hold (potential medium-term capital gain) and trading (potential short-term capital gain).

### What value added we aim to provide

Possibility to invest at lower minimum tickets (increasing accessibility and diversification), possibility to more quickly and efficiently exit the investment (secondary liquidity), asset protection (being tokens not seizable from a private wallet), reduction of admin burden and frictions, much higher price discovery and transparency, higher information available.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Terms for any buyback obligation / option
- Terms in case of any token termination event

### 2. Coupon/dividend distribution frequency (if any)

### 3. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

### 4. Any selling restriction (professional vs. retail, geography etc)

### 5. Buyback option, which allows the issuer of the tokens to buy back some or all of the outstanding tokens at a predetermined repurchase price. The repurchase price at any time is the higher between the current market price and the APO (art public offering) issue price plus a X% premium

### 6. Possibility to lock the tokens in liquidity pools

## RATIONALE AND SCOPE

### What is being tokenized

A loan backed by the artwork (collateral).

### Type of underlying asset

Loans backed by contemporary and modern paintings and sculptures, such as Fontana, Boetti, Lewitt, Ruscha, Magritte, Picasso etc, with a contractual maturity of typically 5 years and target IRR indicatively in the 5-7%\* area (on collateralized lending) and 6-9%\* (on repo investments). Target LTV < 45%, and in the eventuality the borrower defaults on its obligations, we can execute the artwork, and re-sell it in the market with an expected recovery ratio >100%. The underlying tokenized asset is the asset-backed loan.

### Typical issuers

Museums, galleries, private/corporate collectors..

### Typical investors

Institutional, professional and retail investors as well, either directly, or indirectly through partners private banks and advisors.

### Attitude towards the asset class

Buy & hold, due to the intrinsic income generated by the loan.

### What value added we aim to provide

Possibility for issuers to unlock liquidity from their assets and for investors to earn attractive and low-risk income, asset protection (being tokens not seizable from a private wallet), reduction of admin burden and frictions.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Terms for any buyback obligation / option
- Terms in case of any token termination event

### 2. Coupon/dividend distribution frequency (if any)

### 3. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

### 4. Any selling restriction (professional vs. retail, geography etc)

### 5. Buyback obligation, which requires the issuer of the tokens to buy back some or all of the outstanding tokens at a predetermined repurchase price. The repurchase price at any time is the higher between the current market price and the APO (art public offering) issue price plus a X% premium

### 6. Possibility to lock the tokens in liquidity pools

## RATIONALE AND SCOPE

### What is being tokenized

A share of an alternative investment fund.

### Type of underlying asset

Closed-ended alternative investment funds (mainly, but not necessarily, Lux-based funds). These could be top-tier Private Equity funds, Private Debt funds, Infrastructure fund, Real Estate funds etc. with a contractual maturity of typically > 8 years and target IRR indicatively in the 7-25% area\*.

### Typical issuers

Alternative Investment Fund Managers (AIFM / GPs).

### Typical investors

Institutional & professional investors, either directly, or indirectly through partners private banks and advisors (generally not available to retail due to regulatory constraints).

### Attitude towards the asset class

According to regulatory constraints, potentially as low as €1k.

### What value added we aim to provide

Possibility to more quickly and efficiently exit the investment (secondary liquidity), possibility to invest / top-up after primary market is closed and/or after the portfolio is fully ramped-up, possibility to invest at lower minimum tickets (increasing accessibility and diversification), asset protection (being tokens not seizable from a private wallet), reduction of admin burden and frictions.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Termination/maturity (fund liquidation)
- GP to extend the Fund's life
- GP to terminate the Fund earlier

### 2. Coupon/dividend distribution frequency (if any)

3. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

4. Any selling restriction (professional vs. retail, geography, min ticket etc)

5. Equalization mechanism and investor giveback automated

6. Possibility for investors to sell/buy on the secondary market without prior GP consent

7. Possibility for the GP to use the security tokens as collateral for the Fund's operations (bridge loans etc)

8. Voting rights for various reasons (GP removal and substitution for cause, request of ad-hoc investor meetings, special voting rights as members of Advisory Committee etc)

9. Investor default provisions (delay to fund capital calls etc)

10. Side letters overwriting standard conditions (possibility for the issuer to change parameters over time, in an impact on the secondary market possibilities)

11. Possibility to automate fee rebates and include/exclude upfront fees

12. Possibility to lock the tokens in liquidity pools

13. Fund currency denomination

## RATIONALE AND SCOPE

### What is being tokenized

A “conditional bond”, whereby the sport team owes to the token holders a % of the proceeds of the future sale of the player (occurrence, date and amount not known in advance).

### Type of underlying asset

Under the basic protocol a pre-specified portion (up to 50%) of the amount of the future sale of a football player (or a group of players, or the entire team) is tokenized and sold to interested parties on the primary market. The token will exist until the football player gets sold to another sport team for a fee. There are no periodic cash flow rights for the basic token holders. Thanks to the direct value appreciation of the player, expected annual returns can indicatively start from a 5-10% area\*.

### Typical issuers

Sport teams.

### Typical investors

Largely the fan base (mainly retail investors).

### Attitude towards the asset class

Buy & hold (potential medium-term capital gain) and trading (potential short-term capital gain).

### What value added we aim to provide

Possibility to invest in passion assets with low minimum tickets (increasing accessibility and diversification) and possibility to quickly and efficiently exit the investment (secondary liquidity). We also allow all sport teams (big and small) to offer their fans new investment opportunities and new ways of interaction, while monetizing potential and future revenues and obtaining immediate liquidity.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Terms for any buyback obligation / option
- Terms in case of any token termination event (such as player sale)

### 2. Coupon/dividend distribution frequency (if any) related to sporting results, prices, merchandise etc

### 3. Non-transfer or transfer-free guarantee (if any) provided by the issuer

### 4. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

### 5. Any selling restriction (professional vs. retail, geography etc)

### 6. Buyback option, which allows the issuer of the tokens to buy back some or all of the outstanding tokens at a predetermined repurchase price. The repurchase price at any time is the higher between the current market price and the POS offering issue price plus a X% premium

### 7. Possibility to lock the tokens in liquidity pools

## RATIONALE AND SCOPE

### What is being tokenized

A “conditional bond”, whereby the individual athlete owes to the token holders a % of the proceeds of his/her future annual income (occurrence, date and amount not known in advance).

### Type of underlying asset

Under the basic protocol a pre-specified portion (up to 50%) of the future annual income related to an individual athlete is tokenized and sold to interested parties on the primary market. The token will exist until the pre-determined period will end. The dividends will be distributed to token holders periodically following a pre-determined schedule. Expected annual returns can indicatively start from a 5-10% area\*

### Typical issuers

Individual athletes.

### Typical investors

Largely the fan base (mainly retail investors).

### Attitude towards the asset class

Buy & hold (potential medium-term capital gain) and trading (potential short-term capital gain).

### What value added we aim to provide

Possibility to invest in passion assets with low minimum tickets (increasing accessibility and diversification) and possibility to quickly and efficiently exit the investment (secondary liquidity). Allow all sport players to offer their fans new investment opportunities and new ways of interaction, while monetizing potential and future revenues and obtaining immediate liquidity.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Terms for any buyback obligation / option
- Terms in case of any token termination event (such as player sale)

### 2. Coupon/dividend distribution frequency (if any) related to sporting results, prices, merchandise etc

### 3. Non-transfer or transfer-free guarantee (if any) provided by the issuer

### 4. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

### 5. Any selling restriction (professional vs. retail, geography etc)

### 6. Buyback option, which allows the issuer of the tokens to buy back some or all of the outstanding tokens at a predetermined repurchase price. The repurchase price at any time is the higher between the current market price and the ARS offering issue price plus a X% premium

### 7. Possibility to lock the tokens in liquidity pools



## RATIONALE AND SCOPE

### What is being tokenized

A “conditional bond”, whereby the horse team owes to the token holders a % of the proceeds of the future income (prize money, mounts, etc) and of the future sale of the racehorse (occurrence, date and amount not known in advance).

### Type of underlying asset

Under the basic protocol a pre-specified portion (up to 50%) of a racehorse (or a group of horses) is tokenized and sold to interested parties on the primary market. The majority owner maintains possession and is responsible for keeping the animal safe, secure, and without incurring damage beyond normal ageing. There are periodic cash flow rights for the basic token holders based on the sport results of the horses. Thanks to the combination of competitions prices and direct capital appreciation, expected annual returns can indicatively start from a 10-15% area\*.

### Typical issuers

Horses teams.

### Typical investors

Largely the fan base (mainly retail investors), professional investors and horses collectors.

### Attitude towards the asset class

Buy & hold (potential medium-term capital gain) and trading (potential short-term capital gain).

### What value added we aim to provide

Possibility to invest in passion assets with low minimum tickets (increasing accessibility and diversification) and possibility to quickly and efficiently exit the investment (secondary liquidity). Allow all Horses teams to offer their fans new investment opportunities and new ways of interaction, while monetizing potential and future revenues and obtaining immediate liquidity.

Tax advantage to be checked with Scuderia and their PWC advisor.

## KEY TOKEN PROGRAMMABLE FEATURES

### 1. Maturity profile

- Initial closing (start of primary subscriptions)
- Final closing (end of primary subscriptions)
- Terms for any buyback obligation / option
- Terms in case of any token termination event (such as player sale)

### 2. Coupon/dividend distribution frequency (if any) related to sporting results, prices, merchandise etc

### 3. Min. accepted ticket + possibility for the issuer to waive this (i.e. accept lower amounts)

### 4. Any selling restriction (professional vs. retail, geography etc)

### 5. Buyback option, which allows the issuer of the tokens to buy back some or all of the outstanding tokens at a predetermined repurchase price. The repurchase price at any time is the higher between the current market price and the ESS offering issue price plus a X% premium

### 6. Possibility to lock the tokens in liquidity pools



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THANK YOU