



Jan 2020



## Why invest in Classic Cars?

Classic Cars as an Asset Class

- The most profitable asset class of the last decade\* outperforming stock market indices, bonds, real estate and even investable luxury goods such as wine and art
- A great diversifier within portfolios as Classic Cars have historically exhibited low correlation to financial markets and real estate
- Unlike many financial assets, a classic car will never default or go bankrupt
- Classic cars are transportable, tangible and traded worldwide
- Classic car profits are tax-free in the UK. There is no capital gains tax (CGT) on any profit made when you sell a car - they are deemed to be a 'wasting asset' by HMRC

## Stellar returns with low correlation to financial markets





### How to do it

The Cars Connections Way

#### PICK A CAR



**Option 1**: If you have a car in mind, we will find it for you, arrange the purchase and take care of any upgrades you wish to have.

**Option 2**: We recommend a model for restoration. We will buy, restore and upgrade the car on your behalf to ensure maximum appreciation.

#### BENEFIT FROM ITS APPRECIATION



The car is yours! You can sell it straight away, or you can store it and occasionally drive it whilst it appreciates in value.

Whilst you own the car, we can take care of maintenance and storage if you wish.

#### **SELL YOUR CAR**



Once you feel that the time has come to monetize your investment, we will help you find a seller using our extensive network and connections. Our incentives are fully aligned during the whole process.

#### How to do it

- Option 1: You have a car in mind. We will find your dream model through our extensive network and provide you with a quote and estimated timeline for the full project. CarsConnections can help you with sourcing the car but also with any necessary upgrades.
- Option 2: We recommend a model for you. We will suggest a classic model as base for your project. You will have the choice between 3 upgrade packages (Classic, GT and Sport). We will provide you with a quote and estimated timeline for the full restoration project.
- In all cases, you will be the sole owner of the car. To start the project, we typically require 50% of the total estimated cost\* (purchase + upgrade costs) paid upfront. Typically, full restoration projects take between 6 to 9 months. We will keep you updated with photos, videos and market data throughout the process. We will notify you halfway through the project and will require the additional 50% for completion.
- Finally, once the car is ready we can ship it to your preferred location or offer our full service of storage and maintenance\*\*.
- At any time, we can leverage our network to sell your vehicle at the best price.

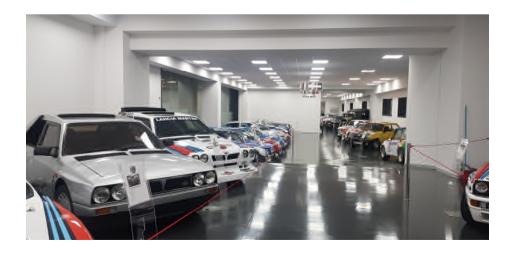
<sup>\*\*</sup> You will need to choose your insurance provider but we can assist with that process.

## **Current Opportunities**

- Opportunity #1: A stunning collection for sale
  - Acquire a unique classic collection made out of 107 cars in perfect condition
- Opportunity #2: Build a portfolio
  - Start an investment portfolio of classic cars (minimum investment £5mm)
- Opportunity #3 Go Green: Electric Classic
  - Buy an electric custom made classic car

# Opportunity #1: A stunning collection for sale

- A rare collection made out of 107 cars in perfect condition
- Cars range from Ferraris, Porsche, rally cars (iconic B Series) and some unique models
- Selling Price: £30mm
- Conservative growth projection (net of maintenance costs etc.): 5% per year
- If desired, CarsConnections can take care of storage, maintenance and management of the collection





## Opportunity #2: Build a portfolio

Case Study 1 Jaguar XK 150S

One of only 68 original RHD matching numbers with famous previous owners .

Purchase price £165,000 Sold for £190,000 Gross Profit £35,000 Cost of Sale £12,500

+13.63% over a 13 week period



Case Study 2 Mercedes Benz 190 SI

Recently restored at a cost of over £50,000

Purchase price £85,000 Sold for £115,000 Gross Profit £30,000 Cost of sale £9,500 Investors gain £20,500

**+24.11%** over an 11 week period



Case study 3 Frazer Nash Le Mans Replica

Only 29 were made between 1949 and 1954, of which only 7 were the much rarer MkII version.

Selling at auctions at c. £600,000 Bought for £180,000

Currently available!



# Opportunity #3: Go Green: Classic Electric

- Electric vehicles are taking over as shown by Tesla's huge success in Asia
- You can still own a classic car while being eco-friendly
- CarsConnections can source and build an electric classic to your specifications

### Electric Jaguar E-Type Zero to enter production

Jaguar Classic division to sell restored E-Types converted to run on battery power, with deliveries set to begin in 2020





### CarsConnections – Who we are

#### Lawrence Geung

 After 15 years of personally investing in profitable luxury homes in London, Lawrence has been sought out to advise and assist other affluent investors with their central London property ventures. It is these successes that spurred Lawrence to form Centurion-Connections (and now Centurion Cars) with the goal of enabling others to benefit from the current attractive yields and security that prime central London property provides. Classic cars are his other passion. Lawrence has an impressive personal collection of rare cars and similarly to real estate, made handsome profits by trading this unique asset class.

#### Mohamed Ellouze

 Mohamed brings a wealth of experience in asset management. He has worked in some of the most prestigious financial institutions and managed money on behalf of ultra high net worth and institutional clients.
Mohamed holds an MSc in Civil Engineering and an MSc in Finance. His passion for cars dates back to his engineering days where he was studying Formula 1 aerodynamics.

