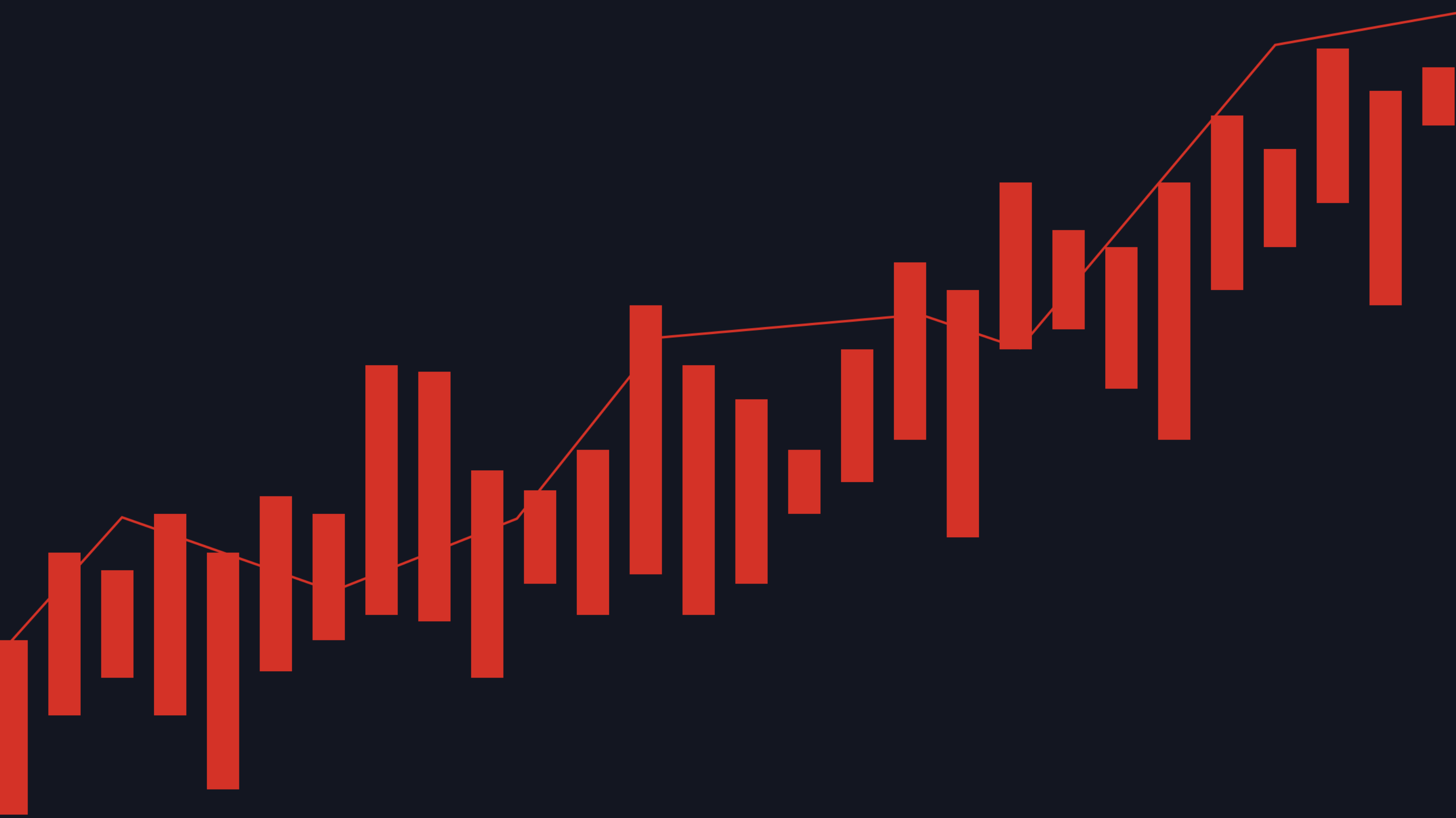
Fine Wine
Portfolio Management



Cru

Why Build a Portfolio with Cru

Five compelling reasons to consider building a Fine Wine Portfolio with Cru:

1. Excellent historic returns - Fine wine has returned an 11% compound annual growth rate over the last 25 years.

2. Fast paced, instant trades, with live prices for buying and selling.

3. Your Account is transparent with a suite of information/tools free to use on the site.

4. Our global network provides great access to the world's fine wine market with integrated logistics allowing clients to more easily sell their wines.

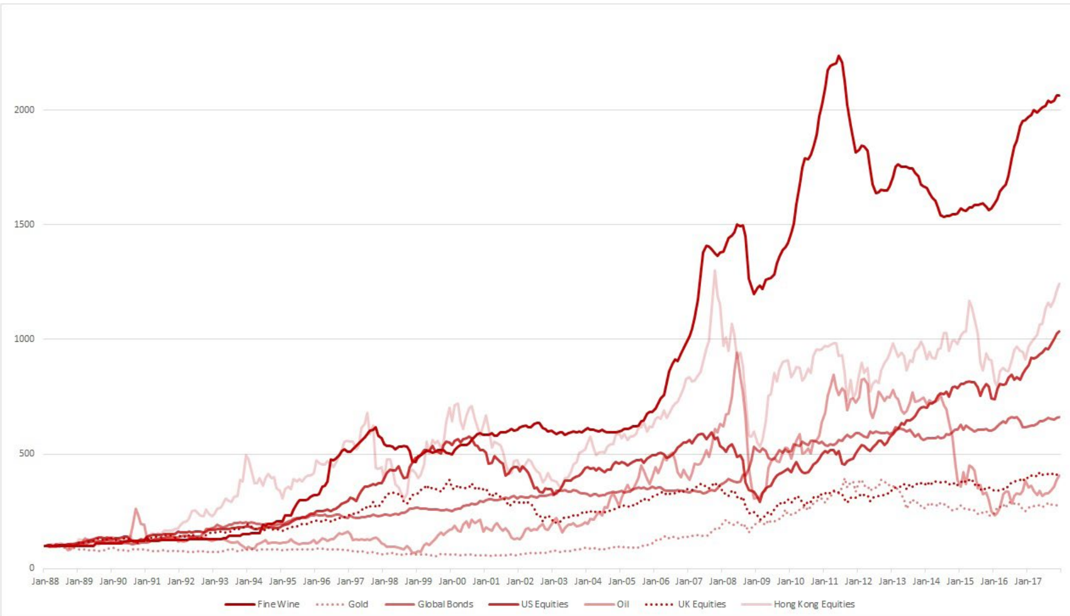
5. Access to a Private Account Manager to advise you on all aspects of managing your portfolio.

A Quick Guide to Fine Wine Investment with Cru

Fine Wine: Long-term Outperformance

Fine wine has an excellent investment track record. Over the past 25 years, fine wine has returned over 2,000% (an 11.0% compound annual growth rate). This puts it well ahead of most major asset classes.

Fine Wine Outperforms: Global Equities, Bonds and Commodities



Livex.com "Investibles" Index – Total Price return Jan. 1988 – Dec. 2017

Fine wine should be taken more seriously as an asset class. Thankfully, it is now possible for non-specialist investors to access the fine wine market.

Starting a Fine Wine Portfolio

You can start building a fine wine portfolio today. You don't need specialist knowledge or training. You can invest as much or as little as you like.

Simply create a free trading account on **www.cruworldwine.com/investment**.

Your account is free to set up and includes a storage facility in which to store your wine.

Our online suite of free tools will help you find investments which are suitable for you.

Buying Wines

Buying wine for investment with Cru is simple. Everything is done securely online. You can purchase investment wines by either:

- Buying wines via our secure website and paying with each order.
- Depositing funds into your account and using these against future purchases.

Finding Wine Investments

We have created an unrivalled platform through which to uncover opportunities to invest in and trade.

Investment Finder - Find Investments Matching your Criteria

Cru's 'Investment Finder' is our exclusive tool which lets you screen the entire universe of fine wine for opportunities.

Investment Finder screens the fine wine universe by:

Price: Sort by different price points.

Score: Find opportunities based on critic scores.

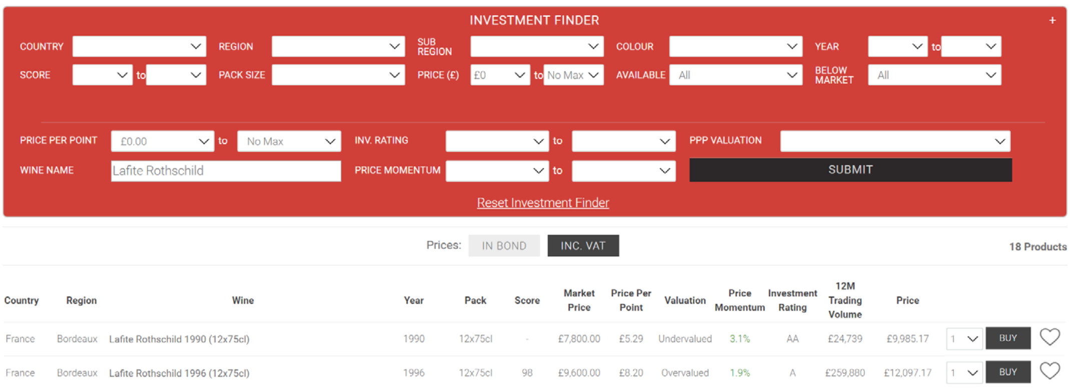
Liquidity: Fine Wine trading volumes are improving all the time. This field allows you to identify the wines which trade mostly frequently.

Wine Rating: Our unique 'Wine Rating' scale - from AAA to B - takes into account the four main attributes associated with long-term performance: i) quality of the producer, ii) quality of the year, iii) average critic rating and iv) liquidity. It lets you choose safer or more speculative investments.

Price Momentum: Our 'Price Momentum' indicator shows the weighted price performance over the past 12 months.

Relative Valuation: This tool analyses each wine against other wines by the same producer. It shows relative under or over-valuation.

Cru Investment Finder



www.cruworldwine.com/investment

Storing Wines

The security of your assets is of paramount importance to us. All wine stored with Cru is kept in one of three locations (you can choose which). You can see the location and status of all your wines at all times in your Account Management section.

UNITED KINGDOM - Vine International at London City Bond, London

Vine International is run by Liv-ex.com, the world's premier fine wine exchange. Storage is in London City Bond, Tilbury, London. London City Bond has been managing fine wine for the world's most discerning collectors since 1978.

HONG KONG - Cru Asia Logistics, Hong Kong SAR China

Cru has a bespoke fine wine facility run by a dedicated team of experts employed full-time by Cru.

SINGAPORE - Toll Brothers, Singapore

Toll is managed by specialised experts, and has been offering a world-class service for more than 125 years.

	UNITED KINGDOM	HONG KONG	SINGAPORE
Price	£0.55 per month per unit (case or bottle)	HK$1.75 per month per bottle	SGD$0.35 per month per bottle
Insurance	Fully insured	Fully insured	Fully insured
Conditions	Temperature controlled	Temperature controlled	Temperature controlled

Vine International at London City Bond

Tracking Performance of Wines

Your portfolio is valued in real time using independent marks provided by the internationally respected Liv-ex.com exchange.

Portfolio Performance

Wine Portfolio —

Portfolio Value	Portfolio Cost	Gain / Loss	Gain / Loss %	Total Items	Items In Stock	Items Due In
£344,601.92	£289,209.24	£55,392.68	19.15%	2265	2215	50

PERFORMANCE	
Period	Portfolio Value
Day	0.7%
Month To Date	1.5%
6 Months To Date	7.0%
Year To Date	12.1%
Since Inception	24.3%

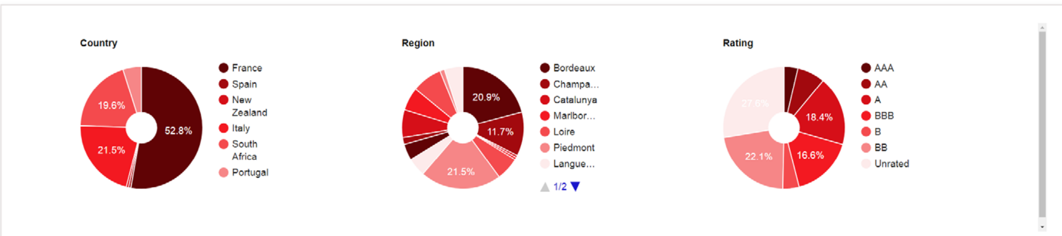
Best Performers	
Lynch-Moussas 2012 (1x75cl)	189.9%
La Tour de Mons 2010 (1x75cl)	172.8%
Cote de Baleau 2009 (1x75cl)	134.3%
Canon 2015 (6x75cl)	120.7%
Blanc de Lynch Bages 2013 (1x75cl)	111.1%
Petit Bocq 2011 (1x75cl)	87.5%
Domaine de la Romanee-Conti Echezeaux Grand Cru 2008 (1x75cl)	77.0%
Duclot Collection Case 2011 (9x75cl)	73.9%
Jean-Marc Boillot Puligny-Montrachet 2011 (1x75cl)	72.1%
Domaine de la Romanee-Conti Assortment Case Grand Cru 2000 (9x75cl)	63.6%

Breakdown by Wine

1-20 of 88 Show: 20

Product Name	Region	Drinking Range	Investment Rating ?	Price Momentum ?	Price Per Point ?	Price Per Point Valuation ?	Market Price ?	Qty	Total Cost	Total Market Value	% Return	
Haut-Bailly 2014 (6x75cl)	Bordeaux	N/A	AA	-2.11%	n/a	n/a	£303.00	1	£282.10	£303.00	7.4%	+
Vieux Chateau Certan 1989 (12x75cl)	Bordeaux	N/A	BBB	9.42%	n/a	n/a	£1,800.00	1	£1,300.00	£1,800.00	38.5%	+

Graphical Analysis



www.cruworldwine.com/investment

Selling Wines / Realising Gains

Where a wine has gone up significantly in value we will alert you with a 'Sell Now' link to help you take profits. You control your portfolio and can sell wine at any time. On the Cru Wine Portfolio you are free to list wines for sale at any price you like. As they sell, you will be credited with Account Credit, which you can use either to buy more wine or to cash out.

Short Demo on Selling Wines on Cru

46 Item(s)

Show: 50

Product Name	Country	Region	Qty	Market Price	Cost Price	For Sale	Sale Price	You Receive (Less Commission)	
Alheit Cartology Bush Vines 2015 (6x75cl)	South Africa	Western Cape	2	£197.50	£88.00		£ 198		SAVE
Botanica Chenin Blanc Mary Delany Collection 2014 (6x75cl)	South Africa	Western Cape	3	£57.50	£58.00		£ 58	£52.20	SAVE
Botanica Semillon Mary Delany Collection 2015 (6x75cl)	South Africa	Western Cape	2	£60.50	£61.00		£ 61	£54.90	SAVE
Brovia Barolo Ca Mia 2012 (12x75cl)	Italy	Piedmont	1	£510.00	£520.00		£ 510	£459.00	SAVE
Brovia Barolo Rocche 2012 (12x75cl)	Italy	Piedmont	1	£743.00	£550.00		£ 743	£668.70	SAVE
Bruno Giacosa Barolo Riserva Rocche di Falletto 2011 (6x75cl)	Italy	Piedmont	1	£1,750.00	£1,495.00		£ 1750	£1,575.00	SAVE
Cappellano Barolo Gabutti Franco 2009 (1x75cl)	Italy	Piedmont	1	£100.00	£178.00		£ 100	£90.00	SAVE
Cappellano Barolo Pie Rupestris Otin Fiorin 2011 (12x75cl)	Italy	Piedmont	1	£1,026.00	£624.00		£ 1026		SAVE
Cavallotto Barolo Riserva Bricco Boschis San Giuseppe 2010 (1x300cl)	Italy	Piedmont	1	£366.67	£375.00		£ 367	£330.30	SAVE
Cavallotto Barolo Riserva Bricco Boschis San Giuseppe 2010 (6x75cl)	Italy	Piedmont	2	£550.00	£450.00		£ 550	£495.00	SAVE

Charges

There are no subscription fees for using the Cru Wine Portfolio. Your account is free to set up. We don't charge commission when you buy wines. If you sell your wines through us we take a standard selling commission, which varies according to the level of assets you have.

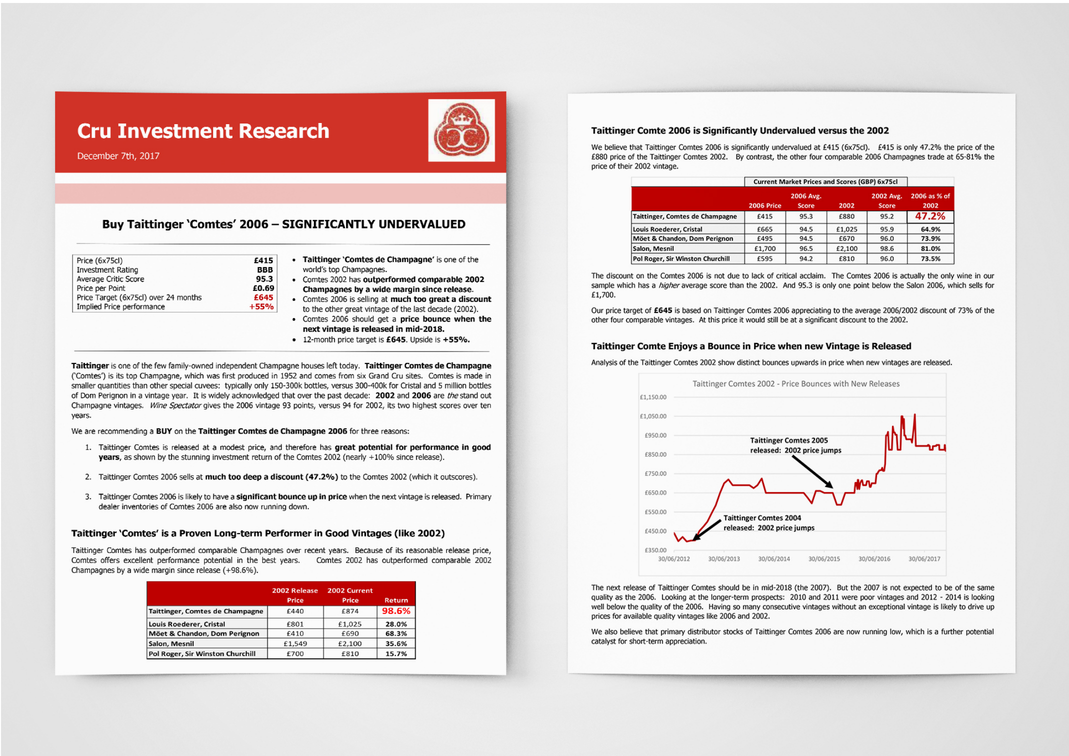
Moving an Existing Portfolio to Cru

We encourage clients to move existing portfolios to the Cru platform. Our investment tools are only available to clients who use our storage facilities.

If you wish to move wines to us for storage and consolidation you can do so by contacting us at logistics@cruworldwine.com.

Investment Research

Cru's Research Department is run by former Deutsche Bank Managing Director, and now Cru's CEO, Dr Jeremy Howard. The aim of the research team is to help you make financial gains with your wine portfolio. We pride ourselves on high quality, investment-focused research which is designed to maximise trading gains. Our notes are focused purely on opportunities for price appreciation.



Cru Investment Research

December 7th, 2017

Buy Taittinger 'Comtes' 2006 – SIGNIFICANTLY UNDERVALUED

Price (6x75cl)	**£415**
Investment Rating	**BBB**
Average Critic Score	**95.3**
Price per Point	**£0.69**
Price Target (6x75cl) over 24 months	**£645**
Implied Price performance	**+55%**

- **Taittinger 'Comtes de Champagne'** is one of the world's top Champagnes.
- Comtes 2002 has **outperformed comparable 2002 Champagnes by a wide margin since release.**
- Comtes 2006 is selling at **much too great a discount** to the other great vintage of the last decade (2002).
- Comtes 2006 should get a **price bounce when the next vintage is released in mid-2018.**
- 12-month price target is **£645**. Upside is **+55%.**

Taittinger is one of the few family-owned independent Champagne houses left today. **Taittinger Comtes de Champagne** ('Comtes') is its top Champagne, which was first produced in 1952 and comes from six Grand Cru sites. Comtes is made in smaller quantities than other special cuvees: typically only 150-300k bottles, versus 300-400k for Cristal and 5 million bottles of Dom Perignon in a vintage year. It is widely acknowledged that over the past decade: **2002** and **2006** are *the* stand out Champagne vintages. *Wine Spectator* gives the 2006 vintage 93 points, versus 94 for 2002, its two highest scores over ten years.

We are recommending a **BUY** on the **Taittinger Comtes de Champagne 2006** for three reasons:

1. Taittinger Comtes is released at a modest price, and therefore has **great potential for performance in good years**, as shown by the stunning investment return of the Comtes 2002 (nearly +100% since release).
2. Taittinger Comtes 2006 sells at **much too deep a discount (47.2%)** to the Comtes 2002 (which it outscores).
3. Taittinger Comtes 2006 is likely to have a **significant bounce up in price** when the next vintage is released. Primary dealer inventories of Comtes 2006 are also now running down.

Taittinger 'Comtes' is a Proven Long-term Performer in Good Vintages (like 2002)

Taittinger Comtes has outperformed comparable Champagnes over recent years. Because of its reasonable release price, Comtes offers excellent performance potential in the best years. Comtes 2002 has outperformed comparable 2002 Champagnes by a wide margin since release (+98.6%).

	2002 Release Price	2002 Current Price	Return
Taittinger, Comtes de Champagne	£440	£874	98.6%
Louis Roederer, Cristal	£801	£1,025	28.0%
Möet & Chandon, Dom Perignon	£410	£690	68.3%
Salon, Mesnil	£1,549	£2,100	35.6%
Pol Roger, Sir Winston Churchill	£700	£810	15.7%

Taittinger Comte 2006 is Significantly Undervalued versus the 2002

We believe that Taittinger Comtes 2006 is significantly undervalued at £415 (6x75cl). £415 is only 47.2% the price of the £880 price of the Taittinger Comtes 2002. By contrast, the other four comparable 2006 Champagnes trade at 65-81% the price of their 2002 vintage.

	Current Market Prices and Scores (GBP) 6x75cl				
	2006 Price	2006 Avg. Score	2002	2002 Avg. Score	2006 as % of 2002
Taittinger, Comtes de Champagne	£415	95.3	£880	95.2	47.2%
Louis Roederer, Cristal	£665	94.5	£1,025	95.9	64.9%
Möet & Chandon, Dom Perignon	£495	94.5	£670	96.0	73.9%
Salon, Mesnil	£1,700	96.5	£2,100	98.6	81.0%
Pol Roger, Sir Winston Churchill	£595	94.2	£810	96.0	73.5%

The discount on the Comtes 2006 is not due to lack of critical acclaim. The Comtes 2006 is actually the only wine in our sample which has a *higher* average score than the 2002. And 95.3 is only one point below the Salon 2006, which sells for £1,700.

Our price target of **£645** is based on Taittinger Comtes 2006 appreciating to the average 2006/2002 discount of 73% of the other four comparable vintages. At this price it would still be at a significant discount to the 2002.

Taittinger Comte Enjoys a Bounce in Price when new Vintage is Released

Analysis of the Taittinger Comtes 2002 show distinct bounces upwards in price when new vintages are released.

The next release of Taittinger Comtes should be in mid-2018 (the 2007). But the 2007 is not expected to be of the same quality as the 2006. Looking at the longer-term prospects: 2010 and 2011 were poor vintages and 2012 - 2014 is looking well below the quality of the 2006. Having so many consecutive vintages without an exceptional vintage is likely to drive up prices for available quality vintages like 2006 and 2002.

We also believe that primary distributor stocks of Taittinger Comtes 2006 are now running low, which is a further potential catalyst for short-term appreciation.

Cru Research Note on Taittinger Comtes de Champagne 2006

Managed Accounts

If you have a significant amount to invest in fine wine (either through an existing portfolio or via a new investment) you can be assigned a private account manager to advise you on all aspects of managing your portfolio.

Please contact us for more details at trade@cruworldwine.com.

Frequently Asked Questions

We have tried to answer the most common questions here, but please contact us for more details at trade@cruworldwine.com.

How do I apply?

You can start building a fine wine portfolio today. You don't need specialist knowledge or training, simply create a free trading account on www.cruworldwine.com/investment.

How do I follow the progress of my investment?

Your portfolio is valued in real time using independent marks provided by the internationally respected Liv-ex.com exchange.

Your portfolio performance can be viewed at www.cruworldwine.com/investment and you will receive monthly updates with your fine wine portfolio valuation.

How will I realise the value of my investment?

Like private equity or property, fine wine is best viewed as a patient investment. But our platform enables you to trade in and out as often as you like. Once your wine has reached your target exit price you can set it for sale at your chosen price.

When you sell wines through the platform your account is immediately credited with the net proceeds, which you can either use against future purchases or you can cash out. You will receive a cash transfer within 30 days of sale.

Is there someone to help me manage my Portfolio?

Cru retains a team of highly trained and knowledgeable fine wine account managers in the United Kingdom, Hong Kong, Singapore and Russia. We also travel to most of the world's financial cities to present research and meet clients. Cru is not authorised to provide formal investment advice, but our team of advisors will help structure your portfolio optimally for long-term price appreciation.

What are the fees?

There are no subscription fees to use the Cru platform. All our personal advice and tools are free of charge, and there is no commission on purchasing wines. There is a small fee to cover the cost of storage (which we pass on at cost price), but this fee is much lower than you would pay to store other commodities, such as gold. We take a standard selling commission, which varies according to the level of assets you have.

Is investing in fine wine safe?

The security of your assets is of paramount importance to us, all wine stored with Cru is kept in secure conditions in one of our three storage facilities. You can see the location and status of all your wines at all times in your Account Management section. Cru cannot guarantee your wines will increase in value, but if you buy the best wines from the best vintages and show a little patience history suggests that you realise significant capital gains.

Are gains on wines taxable?

Cru is not authorised to offer formal tax advice. For UK investors the relevant HMRC legislation states that wine is a "chattel", and therefore any deposal of less than £6,000 (January 2018) has no chargeable gain. Many UK investors also take advantage of the "wasting asset" exemption, where 100% of the gain is tax free if the wine is expected to last less than 50 years. But all investors should take appropriate advice from a regulated advisor on their own tax status.

IMPORTANT NOTICE

Cru