



Oriental Culture Holding LTD

Oriental Culture Holding LTD

Investor Presentation

May 2021



This presentation includes statements that are, or may be deemed, “forward-looking statements”. In some cases these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “believes,” “estimates,” “anticipates,” “expects,” “plans,” “intends,” “may,” “could,” “might,” “will,” “should,” “approximately,” “potential,” or in each case, their negative or other variations thereon or comparable terminology, although not all forward-looking statements contain these words. They appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs, projections, outlook, analyses or current expectations concerning, among other things, the art trading and online collectibles markets in China, the prospects of our listing service, transaction service and marketing service businesses of collectibles and artworks as stated herein.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events, competitive dynamics, and regulatory developments and depend on the economic circumstances that may or may not occur in the future or may occur on longer or shorter timelines than anticipated. Although we believe that we have a reasonable basis for each forward-looking statement contained in this presentation, we caution you that forward-looking statements are not guarantees of future performance and that our actual results of operation, financial condition and liquidity, and the development of the industry in which we operate may differ materially from the forward-looking statements contained in this presentation as a result of, among other factors, the factors referenced in the “Risk Factors” section of the prospectus contained in the registration statement on Form F-1 (File No. 333-234654) initially filed with the Securities and Exchange Commission (the “SEC”) on November 12, 2019 as amended thereafter, for our proposed initial public offering (the “Registration Statement”). In addition, even if our results of operations, financial conditions and liquidity, and the development of the industries in which we operate are consistent with the forward-looking statements contained in this presentation, they may not be predictive of results or developments in future periods. Any forward-looking statement that we make in this presentation speaks only as of the date of such statement, and we undertake no obligation to update or revise publicly any of the forward-looking statements after the date hereof to conform the statements to actual results or changed expectations except as required by applicable law.

This investor presentation provides basic information about the company and the offering. Because it is only a summary, this document does not cover all the information that should be considered before investing. You should read carefully the factors described in the “Risk Factors” section of the prospectus contained in the Registration Statement to better understand the risks and uncertainties inherent in our businesses and any forward-looking statements.



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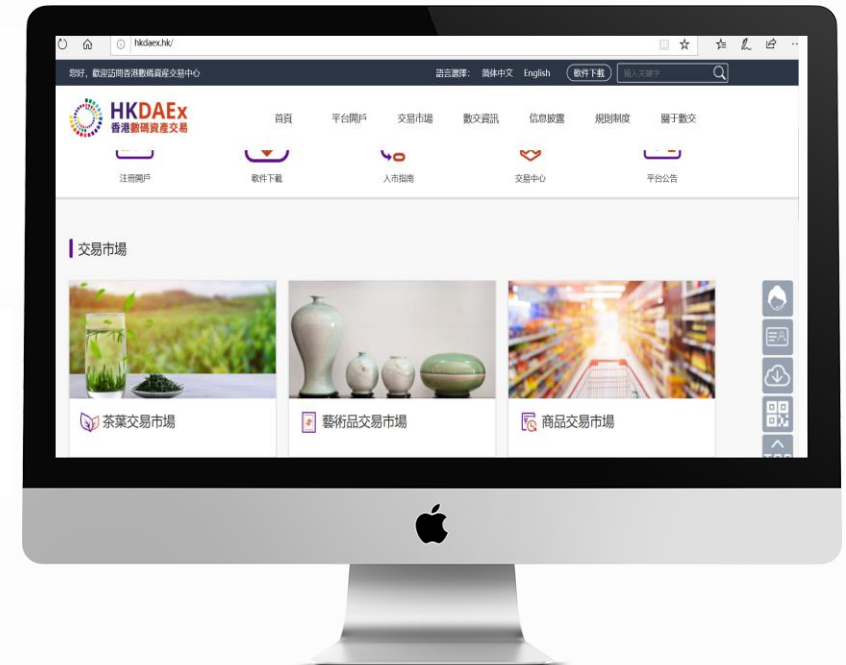
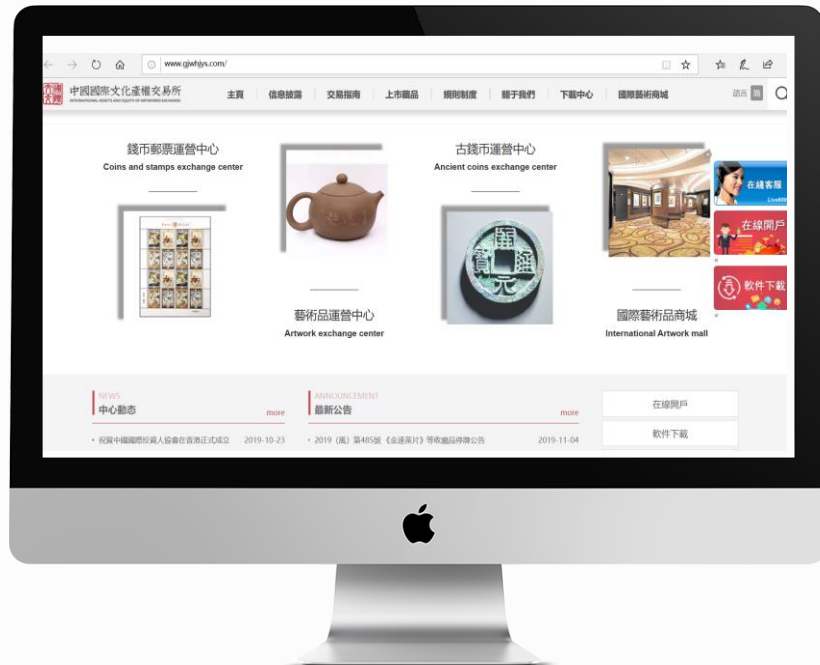
* Numbers and amounts reflect approximations

Company Overview-1



Oriental Culture Holding LTD

- We are an online provider of collectibles and artwork e-commerce services, which allow collectors, artists and art dealers and owners to access a much bigger art trading market with a wider range of collectibles and artwork investors
- We commenced operations in March 2018. We currently facilitate trading by individual and institutional customers of all kinds of collectibles, artworks and certain commodities on our leading online platforms owned by our subsidiaries in Hong Kong, namely the China International Assets and Equity of Artworks Exchange Limited and HKDAEx Limited
- We provide online and offline integrated marketing, storage and technical maintenance service to our customers in China



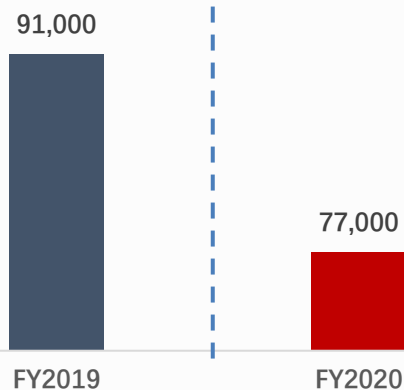
Company Overview-2



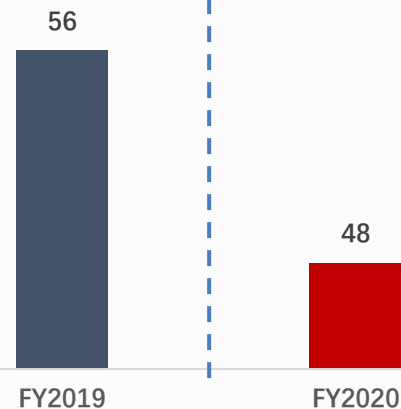
Oriental Culture Holding LTD

- As a comprehensive service company focusing on cultural and art collection market operations and marketing, we provide online and offline supporting services for domestic and international customers through our e-commerce platforms.
- The comprehensive services on our platforms include account opening, art investment education, market information, research, real-time customer support, and artwork warehousing services. Most services are delivered online through our proprietary client software and call center.
- We have achieved substantial growth since our commencement of operations in March 2018.

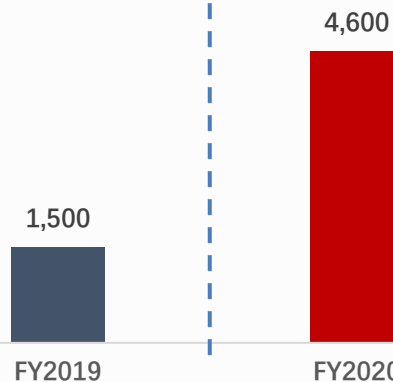
Number of Active Traders
Trading Collectibles and Artwork



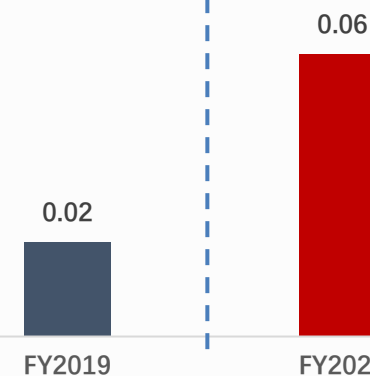
Number of Transactions Facilitated
and Completed (million)



Total Transaction Value
(million in US\$)



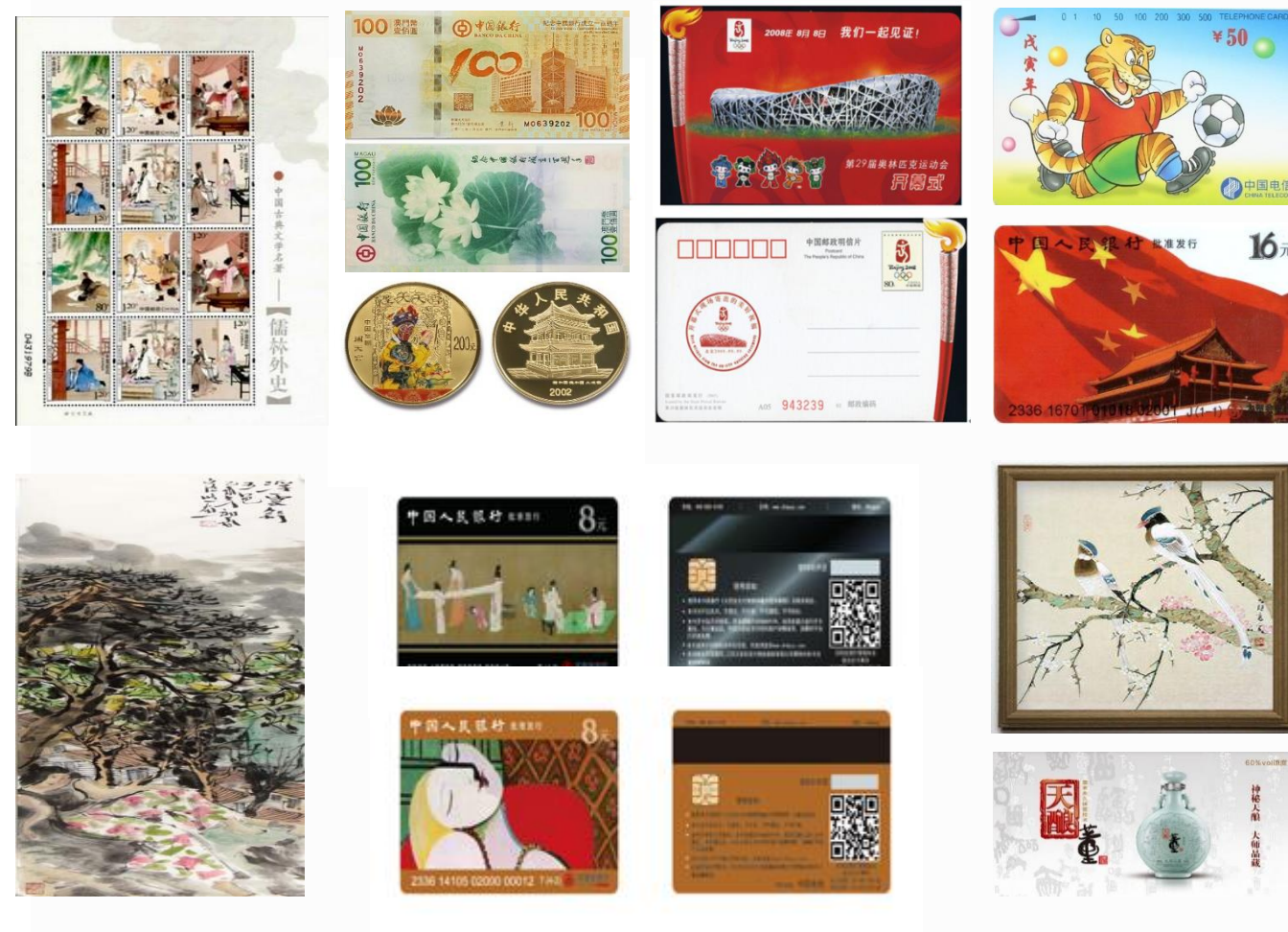
Average Transaction Value
per Trader (million in US\$)



FY2020: Fiscal year 2020 ended December 31, 2020
FY2019: Fiscal year 2019 ended December 31, 2019

A total of 303 and 115 types of collectibles and artworks were listed on our platforms for the year ended December 31, 2020 and the year ended December 31, 2019, respectively

- Paintings
- Stamps
- Coins
- Postage Seals
- Collectible Cards
- Clay teapots
- Jade sculptures
- Teas



Lewis Wan Chairman

- Chairman of our board of directors since May 10, 2019 and Chairman of the board of directors of HKFAEx Group Limited, one of our principal shareholders since February, 2007
- Visiting Professor of Beijing University of International Business & Economics since December 2012
- Committee Member of Hong Kong Securities and Investment Institute since February 2013
- Vice President and Chairman of China Investment Committee of the China Hong Kong International Economic Trading Association since 2008
- Director and Chief Investment Officer of Marco Polo Investments Group Limited from August 2004 to February 2007
- Worked at the Financial Services Division of PricewaterhouseCoopers from September 1997 to August 2004
- Bachelor Degree of Business Administration, majoring in Finance, from the Hong Kong University of Science and Technology in 1997
- Senior Fellow of the Hong Kong Securities and Investment Institute, Fellow of the Hong Kong Institute of Certified Public Accountants and Fellow of the Association of Chartered Certified Accountants.

Yi Shao CEO and Director

- Member of our board of directors since April 18, 2019
- Chief Executive Officer since May 10, 2019.
- General Manager of Jiangsu Yanggu Culture Development Co., Ltd. from October 2018 to March, 2019
- Deputy General Manager of Jiangsu Dahe Live Network Technology Co., Ltd. from October 2017 to September 2018
- Project Manager at Nanjing Cultural and Art Property Exchange Limited from October 2015 to October 2017
- Software Developer at Marvell Electronic Technology Co., Ltd. from June 2013 to October 2015
- Bachelor Degree of Electronic Information Science and Technology from Nanjing University in 2010
- Master Degree of Biomedical Engineering from Nanjing University in 2013

Lijia Ni CFO

- Chief Financial Officer since May 10, 2019
- Financial Controller of Jiangsu Yanggu Culture Development Co., Ltd. from March 2019 to May 2019
- General Manager of Jinling Cultural Property Rights Exchange Co., Ltd. from July 2017 to February 2019
- Financial Controller and Assistant to the General Manager of Jinling Cultural Property Rights Exchange Co., Ltd. from July 2015 to June, 2017.
- Financial Controller of the Art Business Unit of Dahe Investment Holding Group Co., Ltd. from July 2014 to July 2015
- Audit Manager at Nanjing Branch of KPMG (China) Enterprise Consulting Co., Ltd. from June 2008 to May 2014 and participated in the initial public offerings of A shares and H shares listings in China
- Bachelor Degree in Accounting from Nanjing University in 2005
- Master's Degree in Accounting from the University of Birmingham in 2007

Independent Directors



Oriental Culture Holding LTD

Bennet P. Tchaikovsky Independent Director

- Independent director of the Company since January 15, 2020
- Full time Professor at Irvine Valley College since August 2014
- Served as a director of China Jo-Jo Drugstores, Inc. (NASDAQ: CJJD) from August 2011 to January 2013 and as its CFO from September 2009 to July 2011. Served as chief financial officer of VLOV, Inc from April 2010 to August 2013. Served as CFO of Skystar Bio-Pharmaceutical Company from May 2008 to April 2010. Served as a director of Ever-Glory International Group (NASDAQ: EVK) and served on the audit committee as chairman and on the compensation committee as a member from March 2008 to November 2009
- Juris Doctorate degree from Southwestern University School of Law in 1996 and Bachelor of Arts degree in Business Economics from University of California at Santa Barbara in 1991
- A licensed Certified Public Accountant in California and an active member of the California State Bar

Y. Tristan Kuo Independent Director

- Independent director of the Company since November 1, 2019
- CFO of Aerkomm Inc (EuroNext-Paris: AKOM) since April 2017
- Vice President of Investor Relations and Board Secretary of Nutrastar International Inc. from April 2016 to February 2020
- CFO of Success Holding Group International Inc. from August 2015 to April 2017
- CFO and CIO of Tatum from December 2014 to August 2015
- Member of board of directors and Chairman of the audit committee of KBS Fashion Group Limited (NASDAQ:KBSF) from August 2014 to May 2015
- CFO of Crown Bioscience Inc from June 2012 to November 2013
- Vice President and CFO of Finance of China Biologic Products (NASDAQ: CBPO) from September 2007 to May 2012 and June 2008 to May 2012, respectively
- Master of Arts in Accounting from Ohio State University in 1982 and Bachelor of Arts in Economics from Soochow University in Taiwan in 1977

Xiaobing Liu Independent Director

- Independent director of the Company since May 10, 2019
- Professor at Nanjing Tech University School of Law from April 2006
- Independent director of the board of Nanjing Baotai Special Materials Co., Ltd. since September, 2012
- Independent director of the board of GPRO Titanium Industry Co., Ltd. since May, 2016
- Bachelor Degree of Law from East China University of Political Science and Law ("ECUPL") in 1983 Master's Degree of Legal History from ECUPL in 1986
- Doctor's Degree of Constitution and Administrative Laws from Wuhan University in 2007
- Public company independent director qualification certificate from Shanghai Stock Exchange since November 2011

Offering and Trading of Collectibles and Artwork on Our Platform

- Offering and trading of collectibles and artwork on our platform may involve a number of parties, namely, Original Owners, Offering Agents, and Traders

Our Trading Platform

- Our proprietary platform consisting of a matching system, a transaction monitoring system, an account managing system and a settlement system support the trading, payment/settlement of collectibles and artworks online transactions

Technology Infrastructure

- The client software and the Customer Relationship Management (“CRM”) system comprise our core technology infrastructure and enable us to move each key phase of our business operation online

Market Information Provision

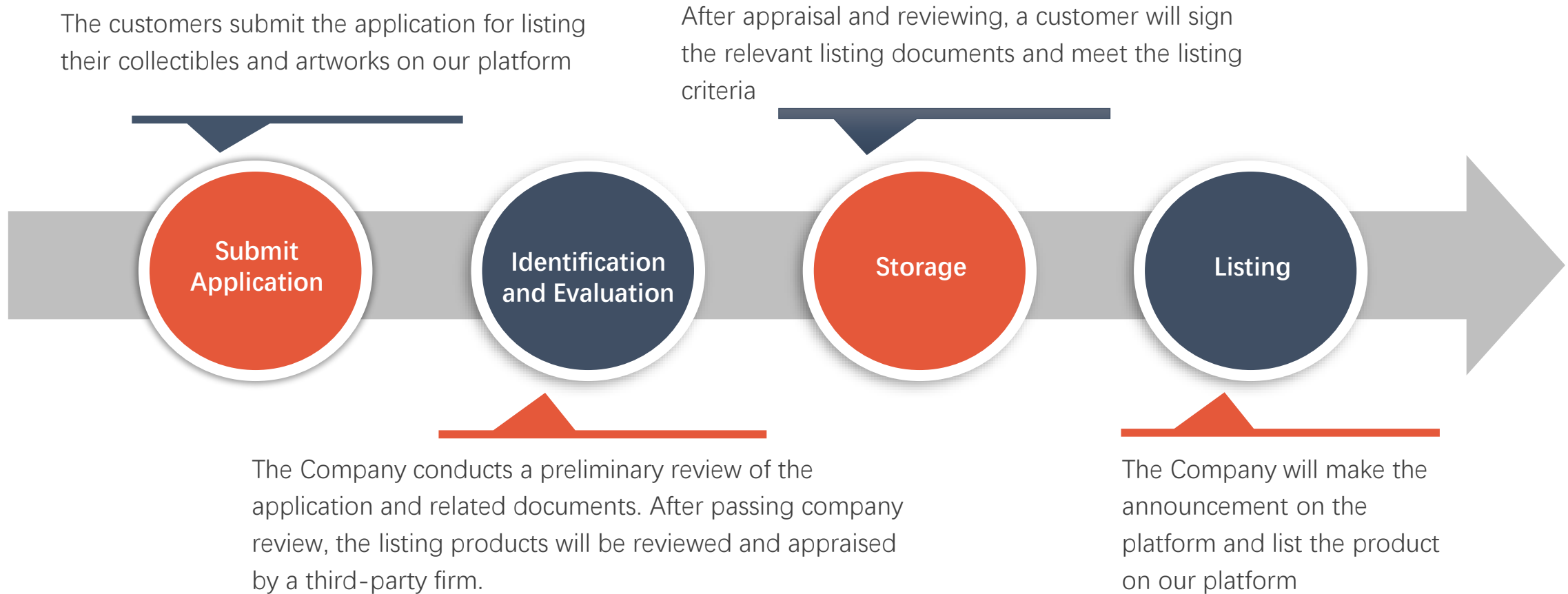
- We provide comprehensive market information to our customers, including real-time price quotes, technical indicators, relevant market news and macroeconomic data and news

Investor Education

- We provide a set of educational programs designed to target customers which includes basic rules and processes of online collectibles and artwork trading, fundamental analysis methods and technical analysis methods of collectibles and artwork

Customer Support

- Most of our services are accessible through our client software, and we also have a dedicated team of customer service personnel that handles real-time customer inquiries about our software, market news and research reports and questions, via call, text message and online instant message



Customer Transaction Process (Deposit & Withdrawal)



Oriental Culture Holding LTD

Deposit

A customer can link his or her personal bank account to his or her trading deposit account, which is an independent depository account under his/her trading account. We can monitor their trading activities and account balances in real time through the exchange's information system.

Trading

证券名称	代码	最新价	涨跌幅	成交量	成交额	开盘价	最高价	最低价	前收盘价	换手率	市盈率	市净率	总市值	流通市值
上证指数	000001	125.00	0.00	125.00	125.00	125.00	125.00	125.00	125.00	0.00	—	—	—	—
创业板指	399001	165.00	0.00	165.00	165.00	165.00	165.00	165.00	165.00	0.00	—	—	—	—
沪深300	000300	3600.00	0.00	3600.00	3600.00	3600.00	3600.00	3600.00	3600.00	0.00	—	—	—	—
上证50	000010	2400.00	0.00	2400.00	2400.00	2400.00	2400.00	2400.00	2400.00	0.00	—	—	—	—
中证500	000500	2600.00	0.00	2600.00	2600.00	2600.00	2600.00	2600.00	2600.00	0.00	—	—	—	—
创业板50	399030	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
沪深100	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证100	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证200	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证300	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证400	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证500	000500	2600.00	0.00	2600.00	2600.00	2600.00	2600.00	2600.00	2600.00	0.00	—	—	—	—
中证600	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证700	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证800	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证900	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证1000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证1500	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证2000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证3000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证4000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证5000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证6000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证7000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证8000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证9000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—
中证10000	000900	1650.00	0.00	1650.00	1650.00	1650.00	1650.00	1650.00	1650.00	0.00	—	—	—	—

Withdrawal

Customers can freely withdraw funds from their accounts so long as the minimum deposit requirements for their trading positions are met.



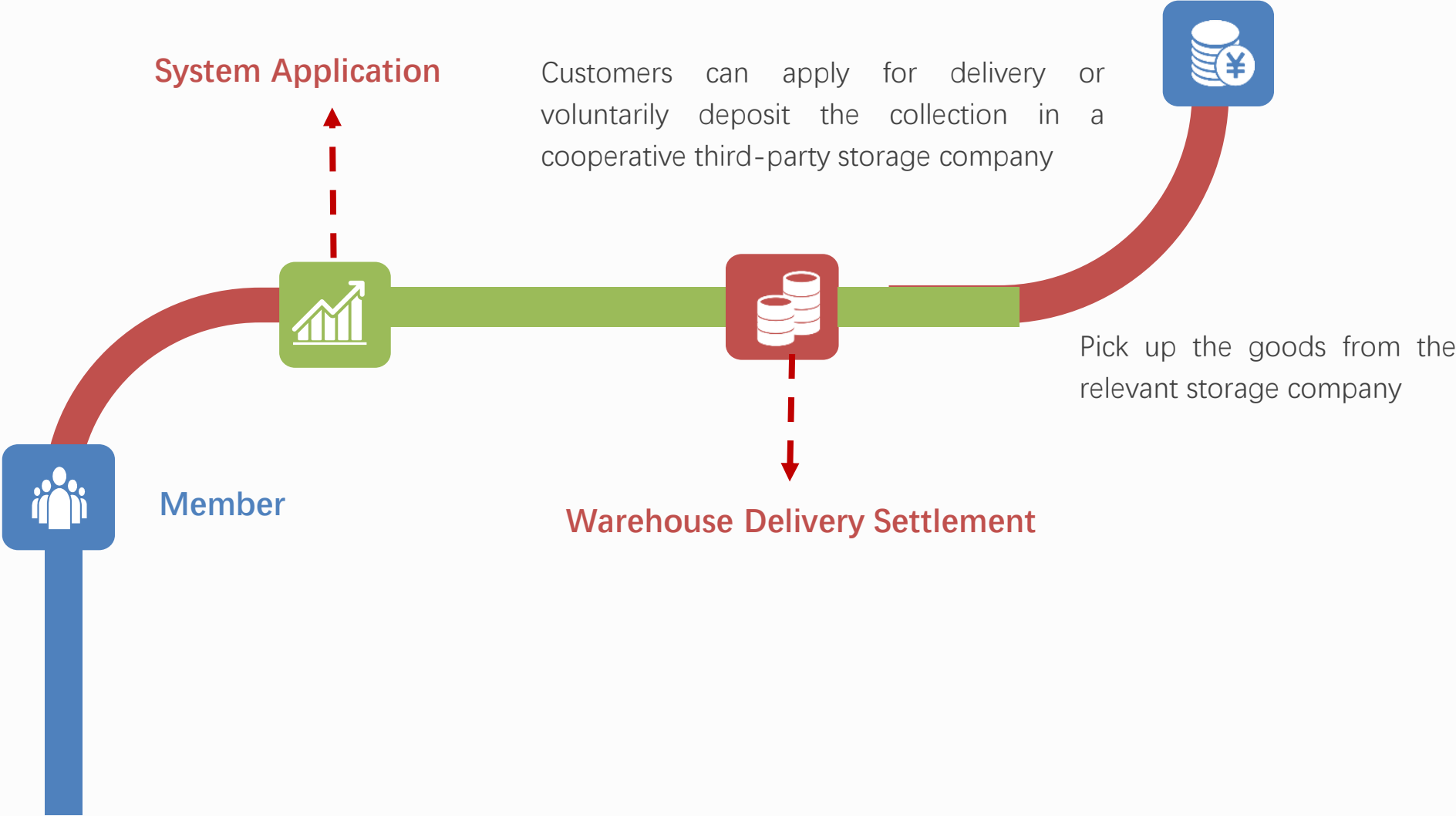
Account Opening

Customers submit relevant information through official websites and open trading accounts after our review.

Customer Transaction Process (Physical Settlement)



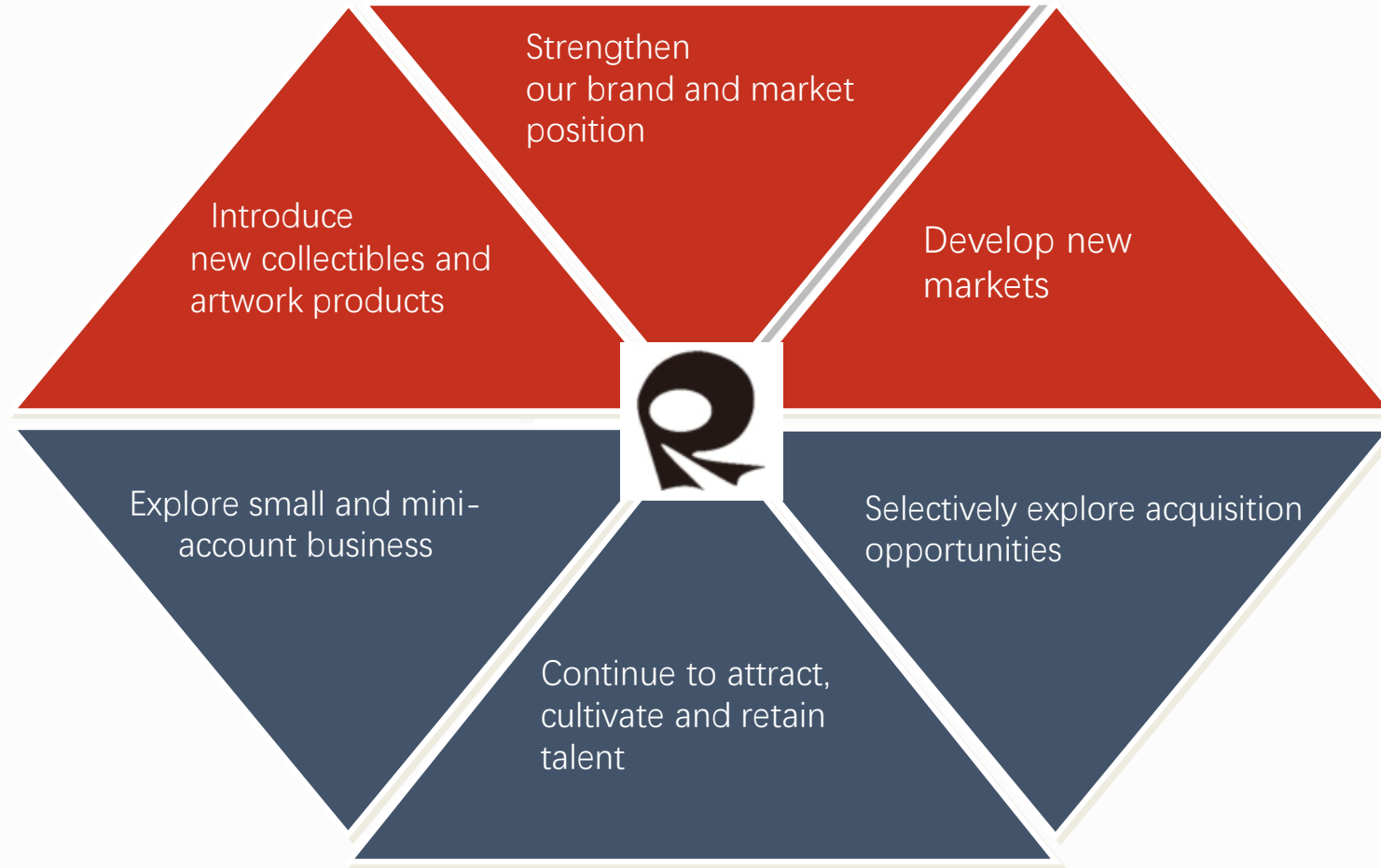
Oriental Culture Holding LTD



Our Growth Strategy



Oriental Culture Holding LTD

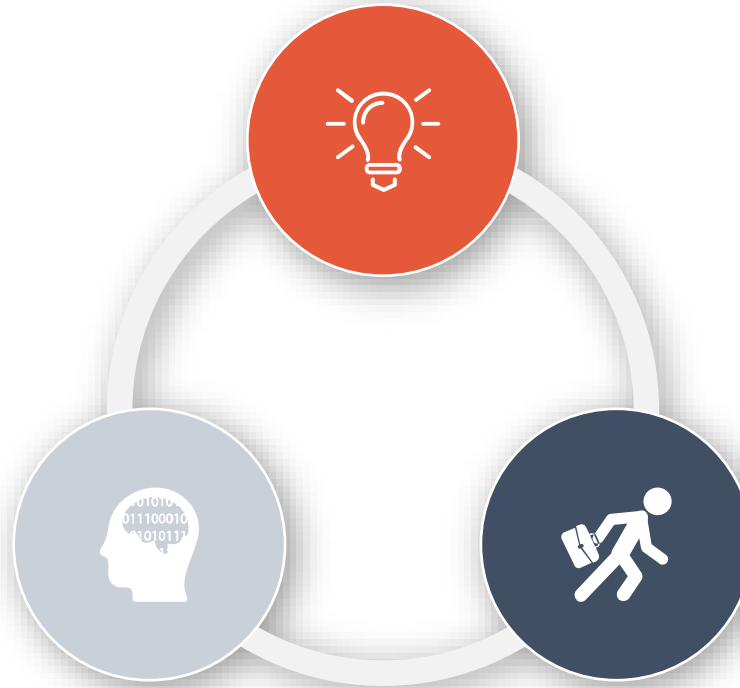


Marketing Activities

Promoting our brand to increase recognition;
Attracting new customers through targeted marketing;
Promoting our client software, which has a broader reach of users who might become our potential customers.

Optimize the allocation of our marketing spending

- Investing in cost-effective marketing initiatives;
- Continuously evaluate the effectiveness of various marketing channels.



Sales Channels

- **Targeting potential customers through:**
 - Interested persons who provide their contact information;
 - Free software download and use;
 - Existing traders to introduce.
- **Transform potential customers to customers**
 - Our customer representatives interact with potential customers;
 - Our representatives begin building relationships with our customers;
 - A potential customer who opens and activates a trading account with us becomes our customer.

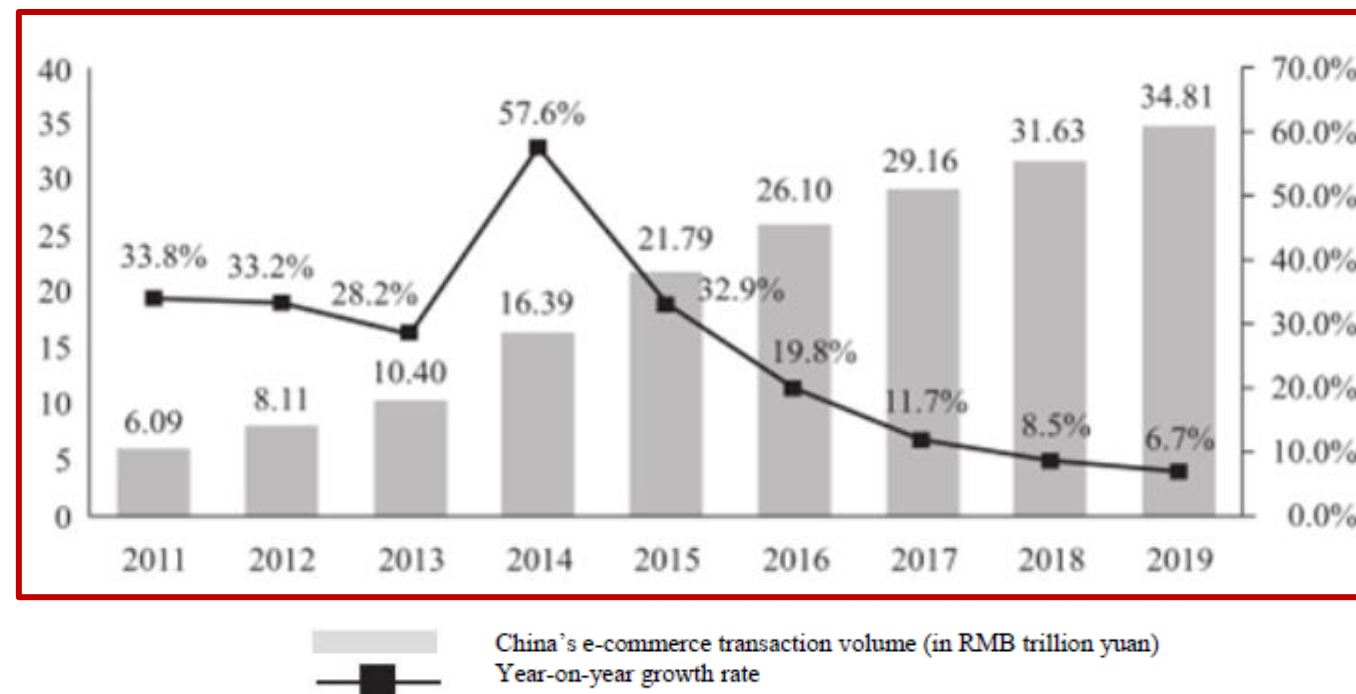
- The art e-commerce market is highly competitive - There were over 60 active art e-commerce platforms operating nationwide in China and over 20 active trading service providers in Hong Kong as of September 30, 2020
- Many traditional art galleries and auction houses may provide platforms for trading collectibles or artworks



Competition

Trading Model Differentiates Us from Our Competitors

- Our platform mainly focuses on collectibles such as stamps and coins which have a broader acceptance among the general public, while some of our competitors' platforms offer artworks requiring more professional appreciation, which restricts customer groups
- Certain of our competitors that operate stamp and coin online forums use the traditional forum posting model, while we operate a proprietary technology platform and provide comprehensive customer services
- Some of our competitors may not guarantee authenticity of the collectibles or artworks, while all collectibles or artworks sold on our platform have been authoritatively certified by a third-party appraisal company to ensure the quality of our collection

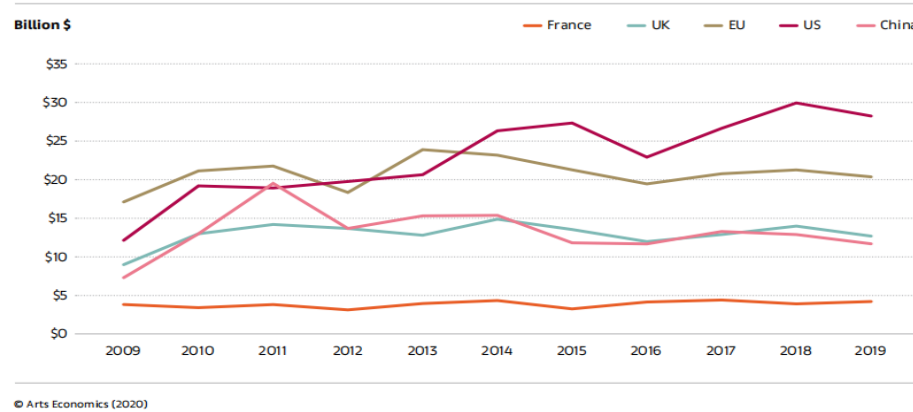


- China's e-commerce continued to grow in 2019. The national e-commerce transaction volume reached RMB 34.81 trillion (approximately \$5.02 trillion) in 2019, an increase of 6.7% year-on-year. The national online retail sales reached RMB10.63 trillion (approximately \$1.53 trillion) and retail e-commerce realized sales growth of 16.5% in China. During the first half of 2020, the national online retail sales reached RMB5.15 trillion (approximately \$735.7 billion), an increase of RMB 0.33 trillion (approximately \$47.1 billion) from RMB4.82 trillion (approximately \$688.6 billion) of the same period of 2019.
- On many mainstream e-commerce platforms, cultural products such as arts and crafts have been actively traded, and art e-commerce is continuously growing. Online trading has become a major trend of the global collectible and art trade. As a comprehensive service company focusing on cultural and art collection market operations and marketing, we seize current development opportunities and provide online and offline supporting services for domestic and international customers through our e-commerce platforms.

Source: "E-commerce in China 2019" released by Ministry of Commerce of People's Republic of China ; National Bureau of Statistics of China

Sales in the Global Art Markets 2009-2019

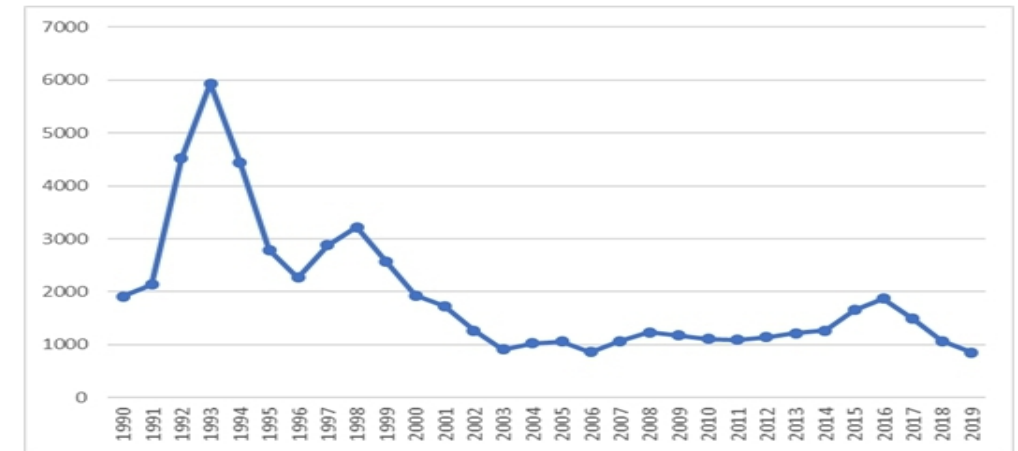
Figure 1.5 | Sales in the Major Art Markets 2009-2019



- Sales in the three largest markets – the US, the UK, and China – accounted for 82% of the global market's total value in 2019.
- The US was the largest market worldwide, accounting for 44% of sales by value. The UK secured its position as the second-largest art market (20%), while China was the third largest, with 18%.
- The art market in China has achieved extraordinary growth over a 40-year period, remaining the third largest market in the world.

Source: "The Art Market 2020" released by Art Basel and UBS in March 2020

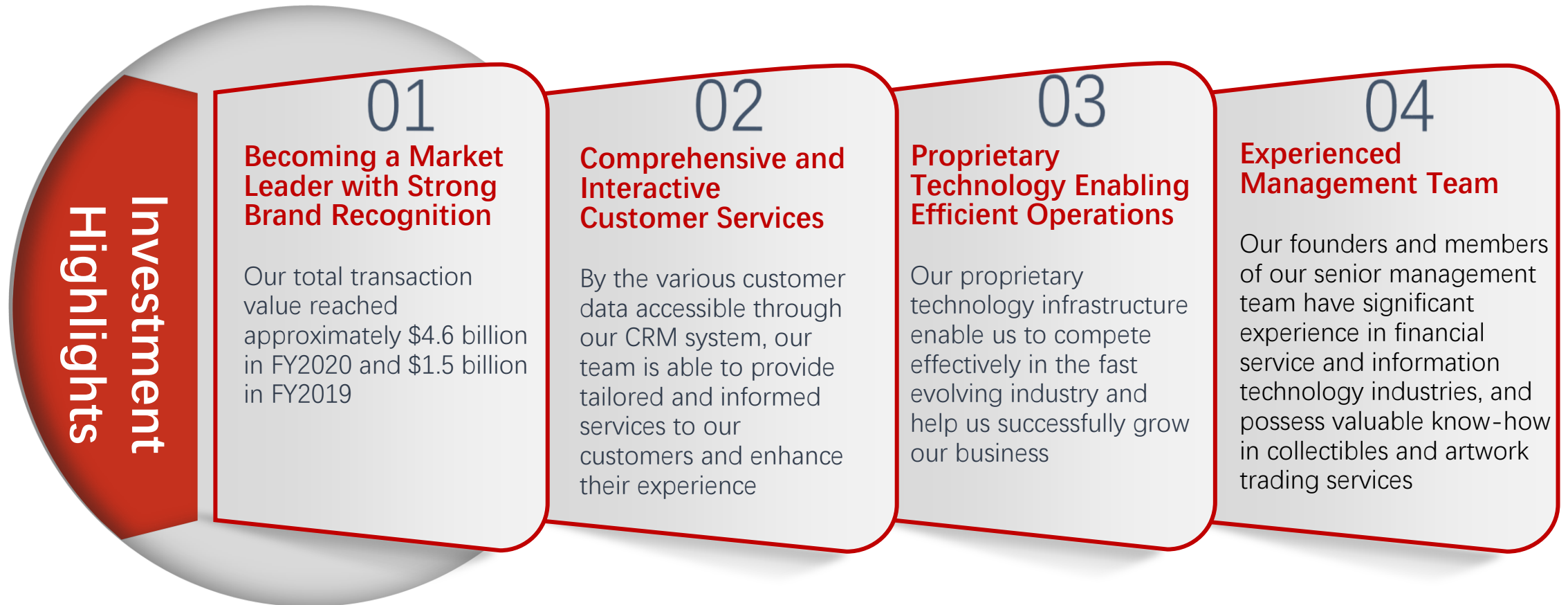
The Average Circulation Volume for New Stamps Issued by the China Post Group Corporation 1990 to 2019



- The price of stamps will be preserved and even increased year after year due to the historical value carried in it and the scarcity after the gradual withdrawal from the market
- This provides an attractive attraction for post collection and investment.

Source: China Post Group Corporation

Our Mission is to Build a Complete Art Business E-Commerce Service Chain to Serve the Industry



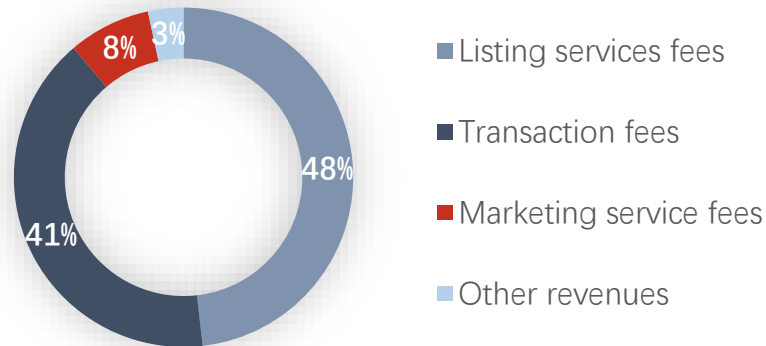
Key Metrics

FY2020: Fiscal year 2020 ended December 31, 2020
FY2019: Fiscal year 2019 ended December 31, 2019

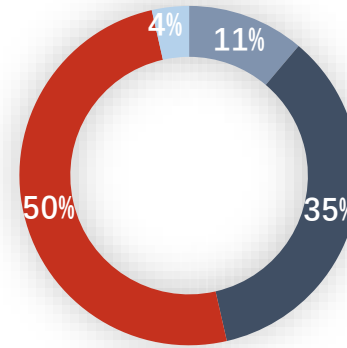


Oriental Culture Holding LTD

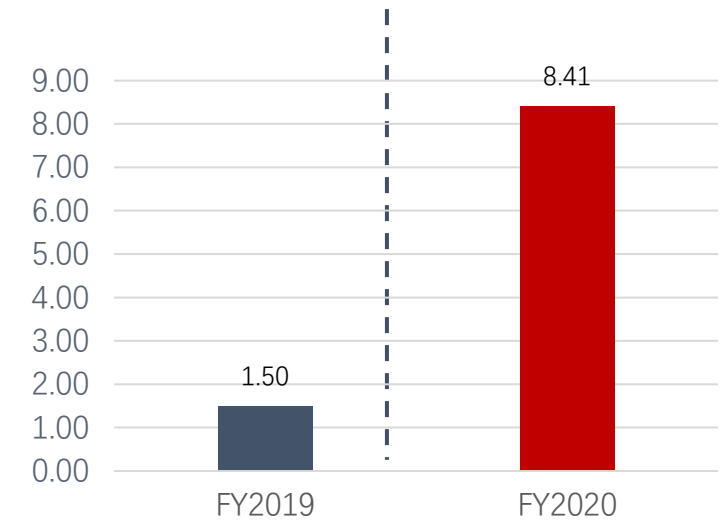
FY2020 Operating Revenues Breakdown



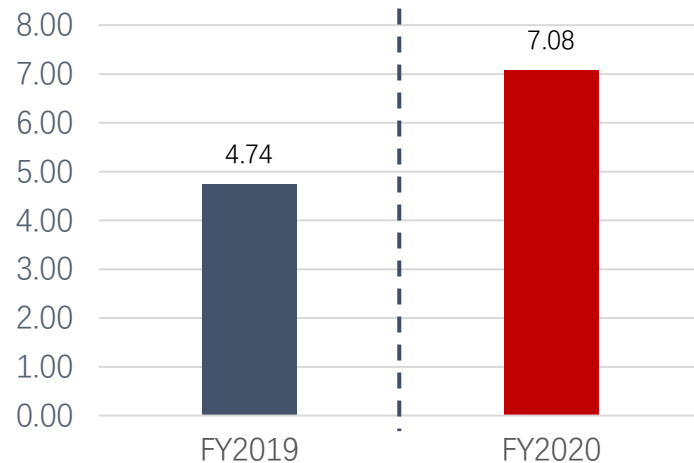
FY2019 Total Operating Revenues Breakdown



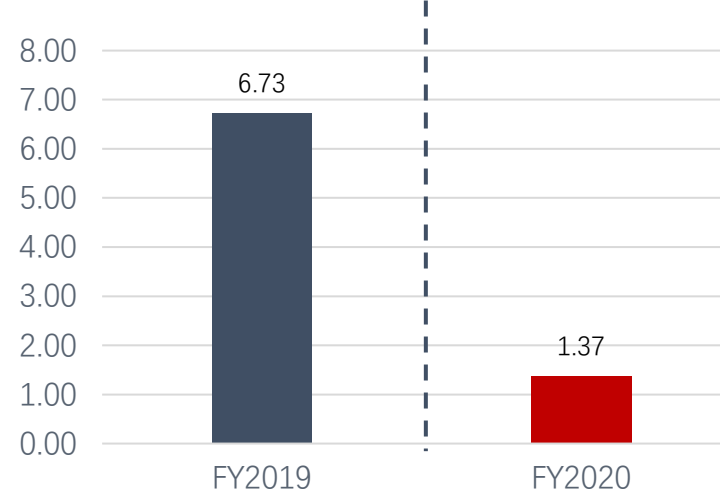
Listing Service Fees (US\$ million)



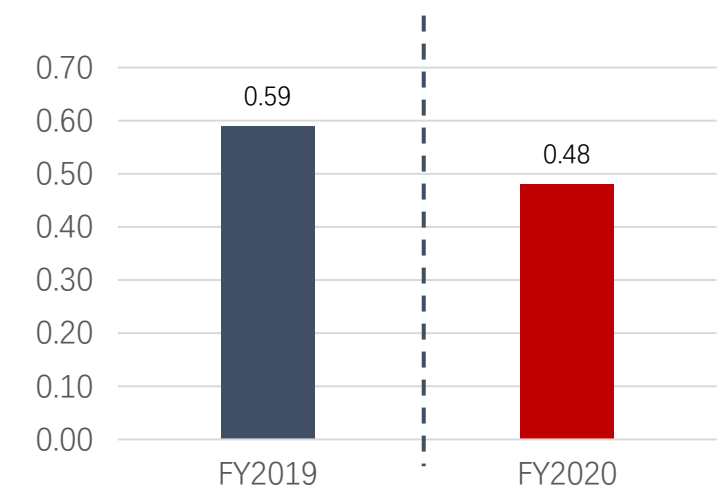
Transaction Fees (US\$ million)



Marketing Service Fees (US\$ million)

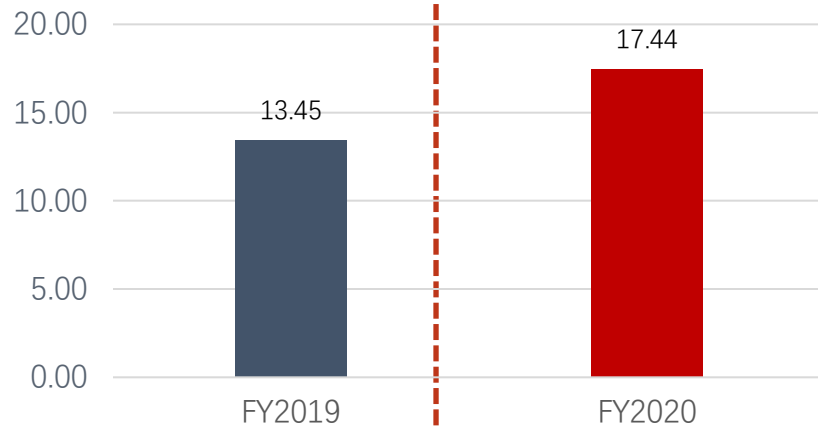


Other Revenues (US\$ million)

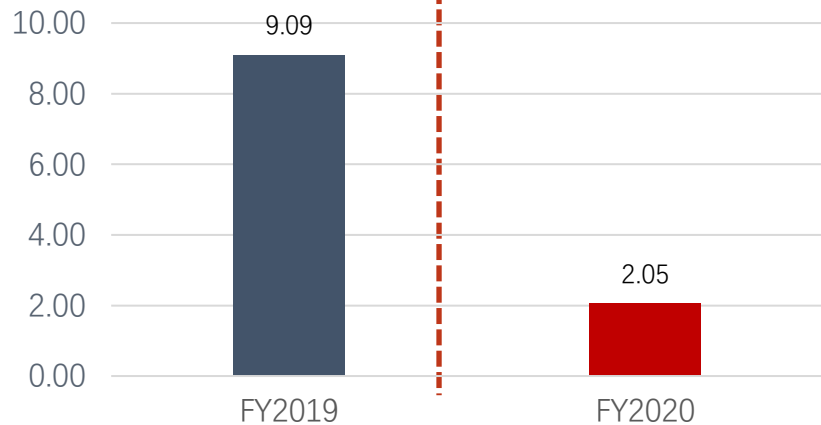


Financial Highlights

Total Operating Revenue (US\$ Million)



Net Income (US\$ Million)



FY2020: Fiscal year 2020 ended December 31, 2020

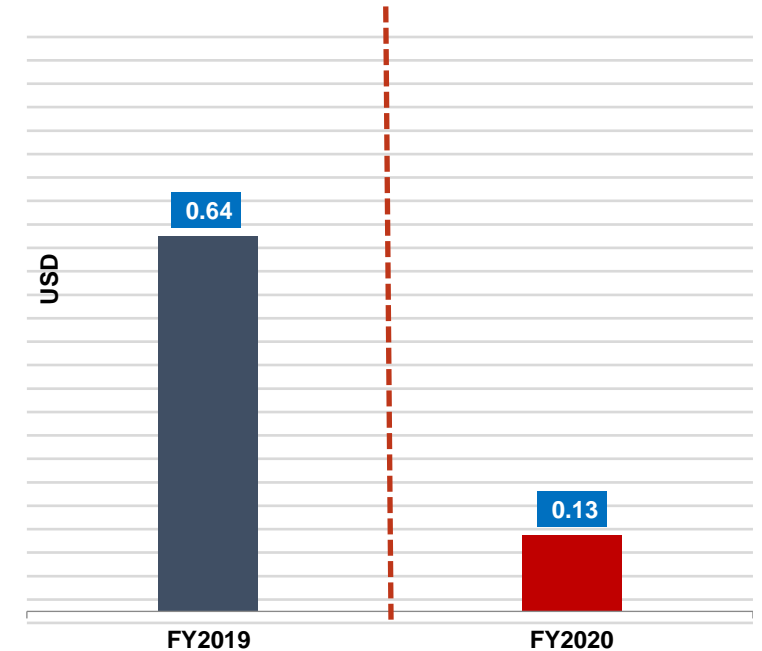
FY2019: Fiscal year 2019 ended December 31, 2019

\$17.44 Million

FY20 Revenue

- Total operating revenue was approximately \$17.44 million and \$13.45 million in FY2020 and FY2019, respectively.
- Income from Operations was \$1.65 million and \$8.98 million in FY2020 and FY2019, respectively.
- Net income was \$2.05 million and \$9.09 million in FY2020 and FY2019, respectively.
- EPS was \$0.13 and \$0.64 in FY2020 and FY2019, respectively.

EPS



\$0.13 FY2020 EPS

Recent Developments Related to the COVID-19 Outbreak



Oriental Culture Holding LTD

- COVID-19 has caused significant negative impact on our business, financial condition, and results of operations as our revenues and net income decreased significantly during the first half of 2020, compared to the same period in 2019.
- Our offices were closed for the Lunar New Year Holiday Break which remained closed to implement the work from-home policy until mid-March, 2020.
- During the closure of the offices, especially during the closure of our warehouse for collectibles and artwork products traded on our platform, the appraisals for certain collectibles and artwork were delayed from the beginning of February to mid-March, resulting in delays of the subsequent listing process of such collectibles and artwork, thus affecting our income from listing service fees and marketing service fees. Also, our warehouse was unable to take in the new collectibles from our customers for warehousing during the period when it was closed.
- Due to the traffic control and logistics restrictions in China during the outbreak, our customers could not normally ship and hand over their collectibles to us for verification and custody, which delayed the listing process for such collectibles and reduced the number of items listed on our platform, resulting in substantial revenue decline.
- Starting in July 2020, our revenues and net income recovered as individuals and entities resumed their business activities which were delayed or postponed due to the COVID-19 outbreak. However, the results of operations for the year of 2021 are still uncertain and may be adversely impacted by any further outbreak or resurgence of the COVID-19 pandemic. Potential impact to our results of operations will also depend on future developments and new information that may emerge regarding COVID-19 and the actions taken by governmental authorities and other entities to contain COVID-19 and/or mitigate its impact, almost all of which are beyond our control.

Company:

Lijia Ni, CFO
Oriental Culture Holding LTD
IR@ocgroup.com
+86 25 85766891

Investor Relations:

Janice Wang
EverGreen CQ Consulting Inc.
IR@changqingconsulting.com
+1-571-464-9470
+86 13811768559



Thanks