

ARTSGAIN is a mutual fund management company for professional investors to co-invest in artworks, antiques and collectibles. This collective investment allows you to participate with same options and capital gains as any big investors would by leveraging from the joint economic capacity of many investors.

### Content

1. Global Art Market
2. Art as a Financial Asset
3. Contemporary Art
4. Large Investors and Collectors
5. Influence of the Technology

This leaflet shows data from following sources of information:

Arts Economics 2019  
Artprice 4th quarter 2018, 3rd quarter 2019  
Trade European Fine Art Fair (TEFAF), 2016 and 2017  
Deloitte Arts and Finance Report, 2014, 2016 and 2017  
City Private Bank, 2014  
Fintech Ecosystem Report, 2016  
JP Morgan, ECJ Market Research, 2016  
Fintech in Europe, Roland Berger Study, 2016  
Saatchi Art 2016  
UBS Financial Advisor 2017  
Sotheby's Mei Moses Art Index, 2015 and 2018  
Experts: Magnus Resch, Michael Findlay and Art Wolf

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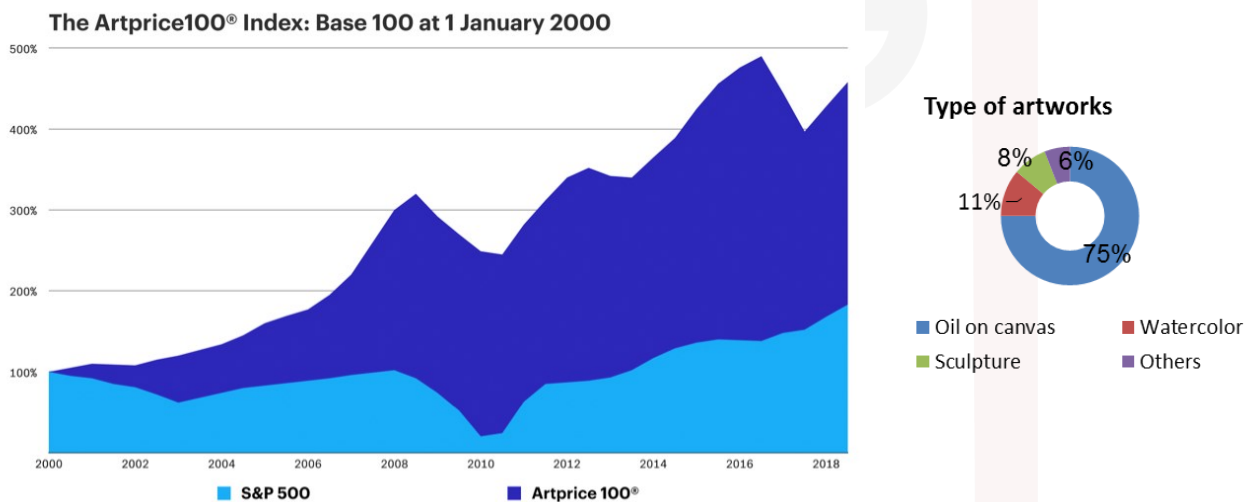
# 1. Global Art Market.

**In 2018 Art contributed to the 22% of global investment assets equivalent to B\$67 distributed 33% in Europe, 44% in Americas and 22% in Asia.**

Top 100 artists provide an average **8.9% annual returns** since 2000 representing **464%** as compounded revaluation of their artworks value.

Contemporary art and impressionist art returns: **between 7.45% and 10.5% in the last 12 months**

The return on investment in the art market is clearly superior to the ROI of the stock market. Since 2000, artists like Picasso have tripled their value. So, art investment is a good example as a shelter investment value .

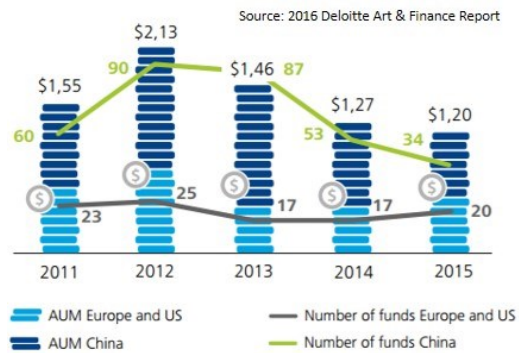


| Annual average returns based on Mei Moses Index (acquired by Sotheby's in 2016) | 50 years (1965-2015) | 20 years (1995-2015) | 2016-18 |
|---|----------------------|----------------------|---------|
| World All Art Index   | 7.89%                | 5.26%                | 11.2%   |
| Impressionist and Modern Art Index  | 7.44%                | 5.04%                | 10.8%   |
| World Post-War and Contemporary Index   | 10.85%               | 10.71%               | 12.8%   |
| World Old Masters and 19th Century Index  | 6.63%                | 1.01%                | 3.16%   |

75% of the art market is sold through Christie's and Sotheby's whose average value per artwork was € 88,700 in 2018 with an average annual growth of 14.4% since 2000

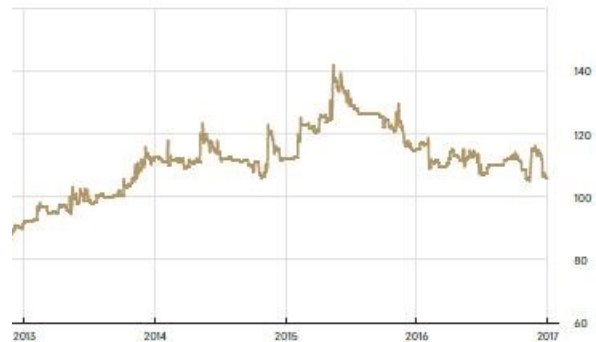
## 2. Art as a Financial Asset.

Evolution of the volume of assets in art managed by investment funds (2011-2015)

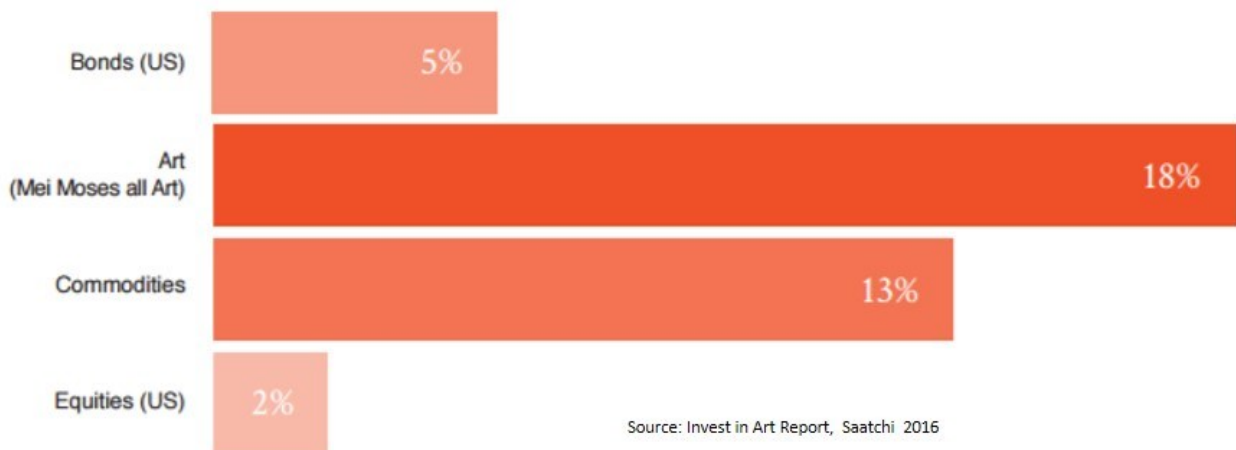


Global Daily Art Index evolution

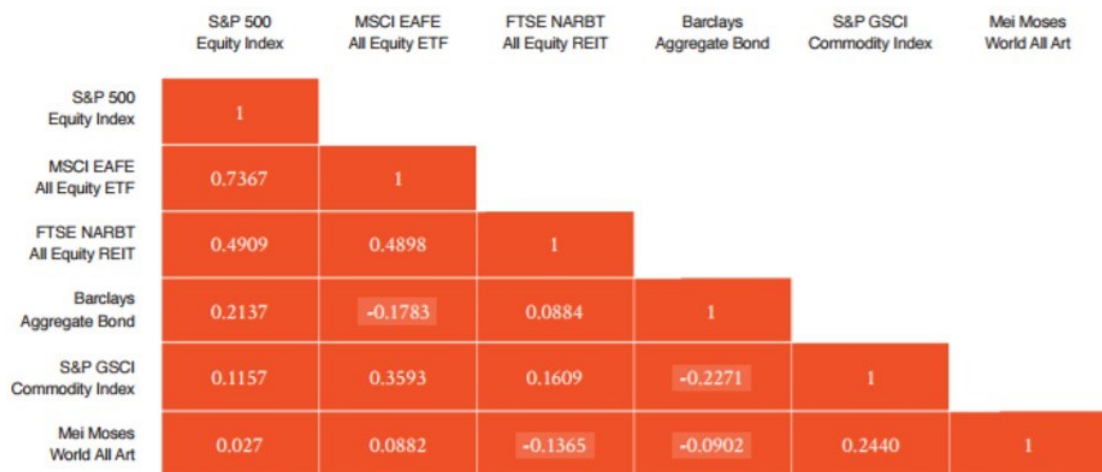
Source: artnet 2017



The art performs better in periods of high inflation or rising inflation than other financial assets (analysis between 1973 and 2012).



The art market is an investment asset with less correlation with other financial assets and therefore less susceptible to fluctuations and economic cycles.



### 3. Contemporary Art Market in 2019

Contemporary art market represents 15% of the global fine arts investments during 2019. \$1.89 Billion global revenue sold over 70,000 artworks at auctions

## Doubled turnover in 10 years

Sources: Artprice and TEFAF in Q3'19



# 66%

REVENUE FROM USA & ASIA

# only 4

FEMALE ARTISTS IN THE TOP 100 AUCTION RESULTS

# 22%

INCREASED ART PRICE INDEX

20,000 new records



# 64%

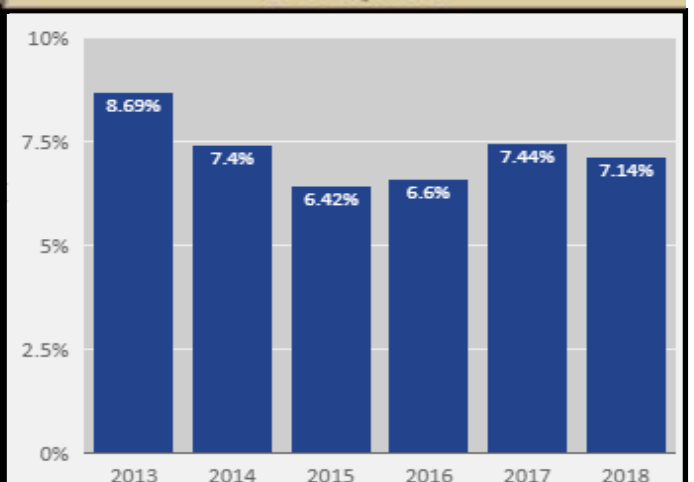
TURNOVER FROM ONLY 50 ARTISTS



# 3%

OF THE ARTWORKS REACHED OVER \$100,000

On the right, data from Sotheby's Mei Moses Index that shows the annual average of composed yields of contemporary Pop Art from 2013 to 2018 in repetitive sales of works of art.





## 4. Large Investors and Collectors.

### Arts as a diversified asset

Art is one of the assets that form part of investment portfolios of large wealth as key element of **diversification**. Big investors treat investments in art as if it were a financial asset using auction data dating back to 1815, although surrounded by a certain opacity. These data show a profitability similar to other risky assets, with periods of economic stability in which sales rise. **72% of large investors and 25% of institutional investors** invest in art by combining passion and profit for their wealth protection and value generation.



### Profile of the art collector

The traditional collector is defined as the one with at least 1 M \$ of heritage, lives 16% in Europe, 41% in the US, 4% in Latin America and only 29% are women. A growth of 43% until 2025 in the number of collectors of high purchasing power is expected due to the new emerging economies. 50% of collectors own more than 500 artworks and 30% more than 1,000 cataloged pieces. The Wildenstein Collection is the largest private collection of art in the world which brings together artworks valued at about 7,000 million euros and welcomes the artworks of the best artists from the old masters to the modern ones.

### The great masterpieces at highest prices

These pictorial artworks are a sample of the ten most expensive artworks in the world considered as sales records between 2015 and 2017, which helped to the USA to return to the head of the investment countries in art after surpassing China. In the last decade, the art industry has grown by 212% and has quickly become a recognized asset in the influential "family offices" of large investors and private collectors.

The global index of luxury consumption, which includes art as a luxury item, is usually less affected to economic ups and downs. Large investors who stand out for their financial mentality not only consume but invest in luxury goods for their stability both in the medium and long term, as part of its investment drivers .

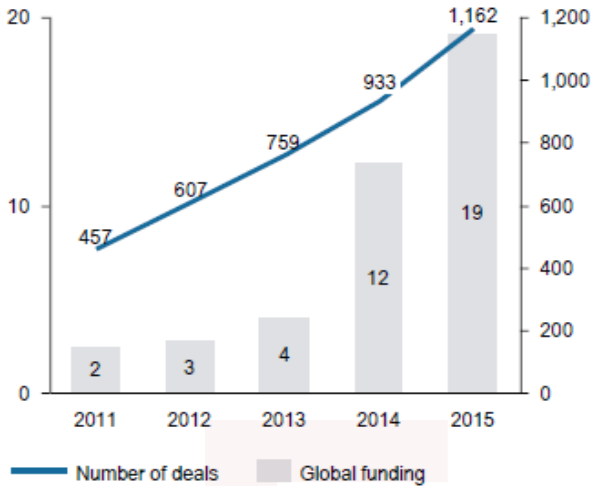


## 5. The Influence of the Technology.

### Global FinTech financing



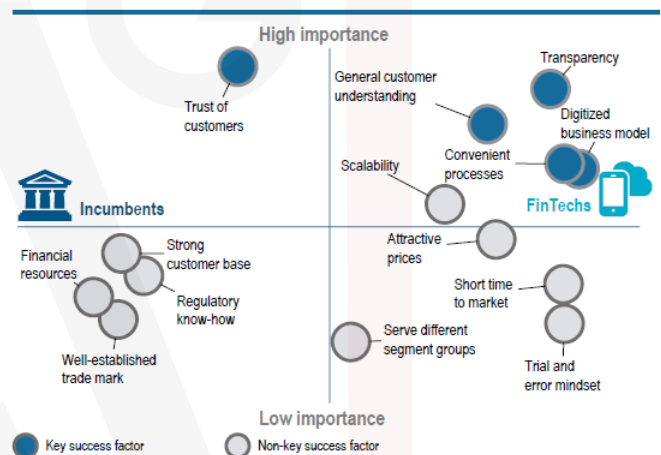
Investments [USD bn]



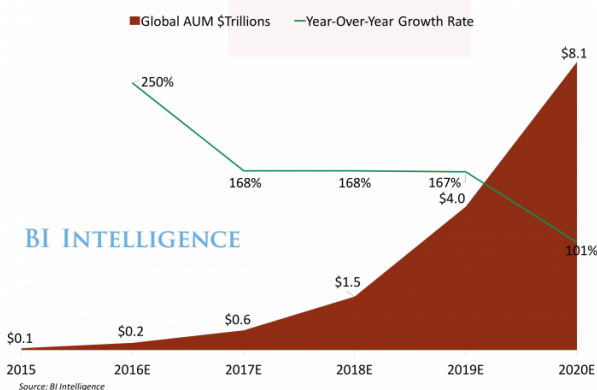
In 2008 a new industry was born under the name of "Fintech" or Financial Technology that is developing very fast: **in 2020** market experts expect **55% of the asset investments will be online.**

Companies like ArtsGain are located in the upper right quadrant so that, with respect to traditional investment funds, can manage more efficiently the **4 factors of success** in the investment: transparency, process automation, facilitating the understanding of the investor and a digitalized business model, thanks to the technology and its associated data.

### Key success factors and capabilities of market players



### FORECAST: Global Assets Under Management By Robo-Advisors



In the last 12 months **new technologies are changing the way assets are invested** and how investors manage their funds. The chart on the left shows the exponential growth of automated online systems that provide intelligence in asset management and particularly makes more traditional insurance and financial asset industries use sophisticated online tools.