

Investing In Art



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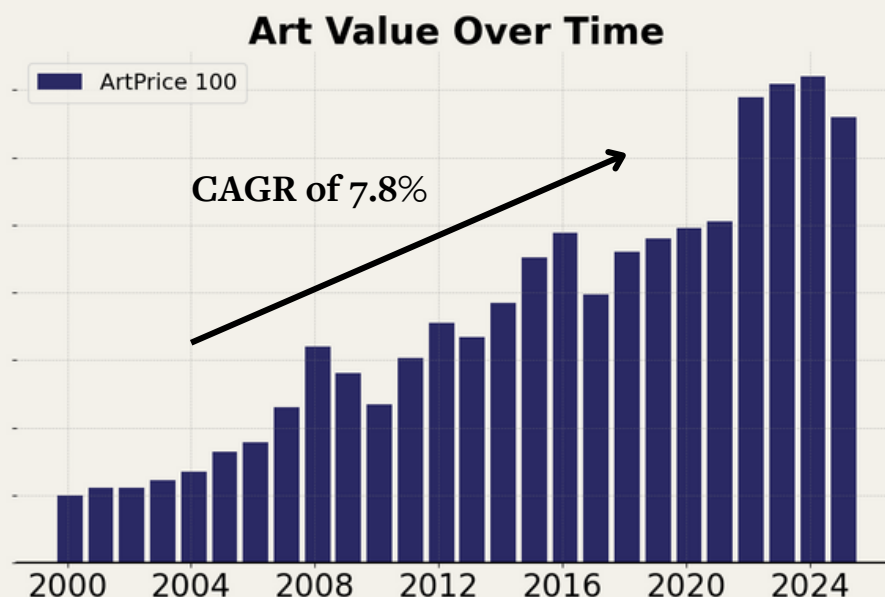
Introduction & Key Facts

The global art market remains a cultural treasure and a resilient alternative investment. In 2024, over 804,000 lots were sold worldwide, setting a transaction volume record despite a 33.5% drop in overall turnover to \$9.9 billion, driven by a slowdown at the high end. Affordable segments, however, thrived—highlighting growing global interest and broader participation.

Key trends include digital accessibility, a rising wave of millennial and Gen Z collectors, and the use of AI and blockchain in authentication. While traditional hubs like New York and London remain dominant, markets in South Korea, Switzerland, and the UAE are gaining traction. The growing presence of female and non-Western artists is also reshaping demand.

Key Facts & Market Data

- 804,000 lots sold globally (new high)
- Number of artists increased 6% year-over-year
- Prints, photography, and sculpture continue to grow in market share
- Contemporary and Post-War categories remain dominant in value terms
- Ultra-Contemporary Art (artists under 40) saw a 39% market contraction in 2024, offering lower entry points and select opportunities for high-growth bets
- Digital innovation, AI-driven authentication, and growing geographic diversity are shaping the future of art as an investable asset



Subcategories & Their Specifics



Modern Art (1890–1945)

Top artists: Picasso, Matisse, Kandinsky, Chagall

Modern Art marks the rise of abstraction and a shift from tradition, reflecting a world shaped by change and new ideas. Its timeless beauty and historical depth continue to attract collectors. For investors, key factors include the artist's market presence, auction history, and the work's condition and provenance. While entry prices can be high, long-term value tends to grow steadily.

Auction Highlights:

- Pablo Picasso's *Femme à la montre* – €130 million (2023, Sotheby's)
- René Magritte's *L'empire des lumières* – €115 million (2024, Christie's)
- Claude Monet's *Nymphéas* – €62 million (2024, Sotheby's)

Post-War Art (1945–1970)

Top artists: Warhol, Hockney, Rothko, de Kooning

Post-War Art reflects the emotional intensity of a world rebuilding, from the boldness of Pop Art to the depth of Abstract Expressionism. These works continue to challenge and inspire, appealing to collectors drawn to rebellion and reflection. For investors, it's key to look beyond big names and consider emerging artists with solid gallery backing. Monitoring pricing trends and avoiding overexposed markets is essential.



Auction Highlights:

- Andy Warhol's *Shot sage blue Marilyn* – €184 million (2022, Christie's)
- Andy Warhol's *Flowers* – €33 million (2024, Christie's)
- David Hockney's *A Lawn Being Sprinkled* – €26 million (2024, Christie's)

Subcategories & Their Specifics

Contemporary Art (1970–Today)

Top artists: Banksy, Beeple, Julie Mehretu, Touils, Raghav Babbar

Contemporary Art is an emotional mirror of our times—fluid, digital, diverse, and deeply personal. It blends physical and virtual realms, often challenging the boundaries of art itself. Collectors are drawn to its immediacy and potential, as emerging voices shape the cultural pulse. Raghav Babbar, for instance, channels a visceral, haunting palette that draws parallels to Freud and Bacon, evoking deeply human themes of solitude and desire.

Key considerations include the artist's career trajectory, representation by top-tier galleries, and market momentum. Early-stage investments can offer high returns but come with higher volatility and liquidity risks.

Auction Highlights:

- Beeple's *Everydays: The First 5000 Days* – €57.9 million (2021, Christie's)
- Banksy's *Love in the Bin* – €21.9 million (2021, Sotheby's)
- Raghav Babbar's *The Coal Seller* (2020/21) – €687,112 (2023, Sotheby's)



Different Mediums & Their Specifics

Paintings

Paintings are the cornerstone of the fine art market—typically unique, often iconic, and widely collected across all periods. Their tangible quality and wall presence offer emotional appeal alongside financial potential. When investing in paintings, consider artist recognition, medium (e.g., oil vs. acrylic), condition, provenance, and exhibition history. Works on canvas from blue-chip artists often hold the strongest value retention.



- Represent 63% of auction market value (€6.2B in 2024)
- 81% of all paintings sold under €4,600, and over half for under €920
- Strong duality: premium segment slowed, affordable paintings surged



Prints

Prints offer investors access to renowned artists at a more accessible price point. Typically produced in multiples, their value is influenced by edition size, print quality, signature, and scarcity. When investing in prints, seek limited editions with strong authentication and consider the reputation of both the artist and the publisher or printer. Market demand can fluctuate based on the artist's broader popularity.

- Most accessible entry point to blue-chip artists
- Sales under €920 rose +79% since 2020
- 128,900 prints sold in 2024 (up from 72,000 a decade ago)
- Key names: Warhol, Banksy, Hirst, Hockney

Different Mediums & Their Specifics

Sculpture

Sculpture introduces three-dimensional presence into a collection, ranging from small bronzes to monumental installations. Works can be cast in multiples or uniquely hand-crafted. Key considerations for investors include the material (e.g., bronze, resin, marble), edition size, condition, and artist relevance. Storage, transportation, and display logistics are also critical to manage costs and preservation.



- Stable turnover (€1B) with strong results in both high-end and accessible ranges
- Leading names: Giacometti, Calder, Kusama, François-Xavier Lalanne
- Key 2024 highlight: Lalanne recorded €107M turnover across 15 seven-figure results



Photography

Photography blends technology and artistry, with increasing recognition in the investment community. Typically produced in editions, value hinges on rarity, print quality, provenance, and the importance of the subject or series. Look for signed and dated works, ideally printed close to the time of capture. Consider institutional representation and recent market momentum when evaluating opportunities in this medium.

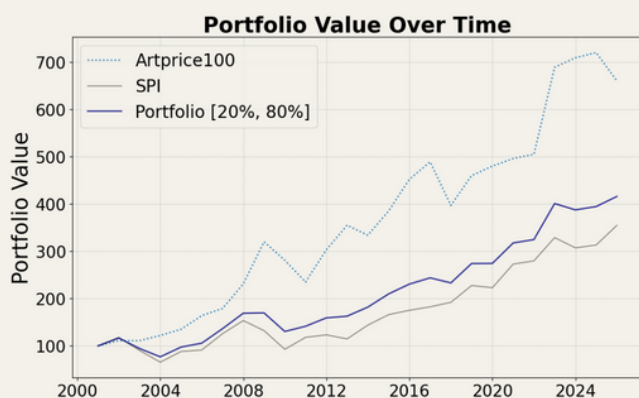
- Smaller share but growing appeal
- High upside for rare editions by Cindy Sherman, Yarrow, Andreas Gursky, and Hiroshi Sugimoto
- A magnet for younger collectors seeking conceptual or postmodern statements

In Depth View: Return & Risk 1/3

Opportunities (Quantitative)

Three major benefits can be observed by including Art as an alternative asset in the portfolio:

- Reduced overall portfolio risk
- Higher average annual returns
- Consistent track record



(1) Portfolio represents 80% SPI and 20% ArtPrice100

Reduced Overall Portfolio Risk

The less-than-perfect correlation between Art as an asset class and SPI (SXGE) results in a combined portfolio with lower risk compared to traditional assets alone. By analyzing the combined portfolio, this is captured by the following metrics:

- Lower standard deviation
- Lower beta
- Lower drawdown risk

Assets	Std Dev	Beta	Drawdown
ArtPrice100	0.15	0.03	0.27
SPI	0.18	1.00	0.44
Portfolio (1)	0.14	0.69	0.34

(1) Portfolio represents 80% SPI and 20% ArtPrice100

Higher Average Annual Returns

The positive effect of compounded returns is captured by the higher compound annual growth rate (CAGR) from 2000 to 2025.

Assets	CAGR
ArtPrice100	7.8%
SPI	4.7%
Portfolio (1)	5.3%

(1) Portfolio represents 80% SPI and 20% ArtPrice100

Consistent Track Record

The combined portfolio has consistently outperformed the SPI benchmark, with a historical return of 316% compared to 255% over the past 25 years.

Other Opportunities

- Wealth preservation
- Increasing demand, limited supply
- Cultural value

High expected return with lower risk?

Short answer: Yes, it is possible.

This can be explained by the low correlation ($R = 0.04$) between SPI and Art returns. Correlation (R) measures the strength and direction of the relationship between two variables:

- $R = 1$, assets move together
- $R = -1$, move in opposite directions
- $R = 0$, no relationship

In Depth View: Return & Risk 2/3

Sharpe Ratio (SR)

All these benefits can be captured by a single metric. The Sharpe Ratio measures how much excess return a portfolio generates per unit of risk. It is calculated as:

$$SR = \frac{\text{Portfolio Return} - \text{Risk-Free Rate (Rf)}}{\text{Std Dev}}$$

- Best used for comparing investment on a risk-adjusted basis
- A higher Sharpe Ratio is better, as it indicates more return per unit of risk taken

In this case, the combined portfolio's Sharpe Ratio is 0.42, vs 0.32 for SPI (2000–2025).

Assets	Sharpe
ArtPrice100	0.52
SPI	0.32
Portfolio (1)	0.42

(1) Portfolio represents 80% SPI and 20% ArtPrice100
(2) Risk-free rate of 1% for the sharpe ratio calculation

Risks Management

The previously mentioned risk metrics are useful for evaluating volatility and downside capital risk. A further step in risk management would be the calculation of:

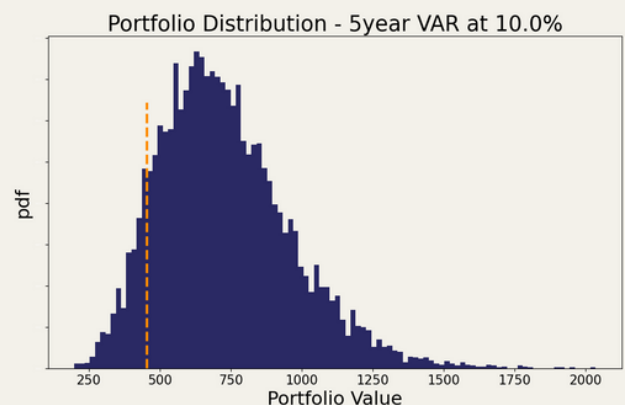
- Value at Risk (VaR)
- Skewness and Kurtosis

Value At Risk (VaR)

What is the maximum amount that could be lost over a period, given a specific probability? VaR attempts to answer this question.

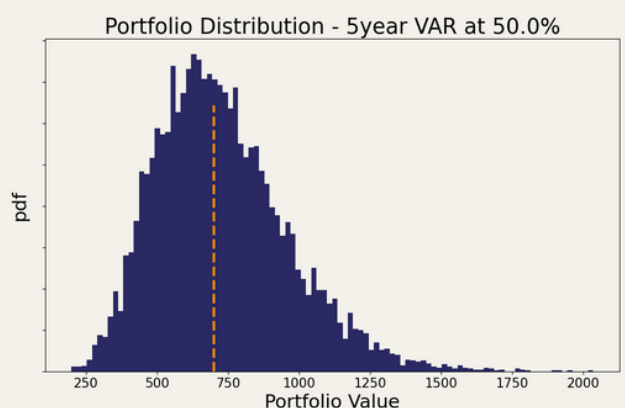
10% VaR

By investing EUR 500 in Art as a standalone investment, there is a 90% chance that the initial investment will exceed EUR 459 after 5 years.



50% VaR

In the case of a 50% VaR, there is a 50% chance that the initial investment of EUR 500 will exceed EUR 700.



In Depth View:

Return & Risk 3/3

Skewness and Kurtosis

Skewness and kurtosis describe the shape of a probability distribution.

Skewness

It measures the asymmetry of the probability distribution. Hence, for:

- skewness > 0.5 , more extreme positive values
- skewness < -0.5 , extreme negative values
- otherwise, approximately symmetrical

The skewness of 0.13 for the annual returns of Art100 over the past 25 years indicates a similar likelihood of positive or negative returns

Kurtosis

Kurtosis quantifies the presence of more extreme values. For this study, excess kurtosis was used to evaluate it.

Hence, for:

- kurtosis > 0.5 , higher risk of extreme returns
- kurtosis < -0.5 , lower risk of extreme returns
- otherwise, low risk of extreme returns

The excess kurtosis of -0.45 for the annual returns of Art100 over the past 25 years indicates a low risk of extreme values.

Other Relevant Risks for Art

- Authenticity
- Conservation and Storage
- Illiquidity Risk
- Subjectivity Risk
- Concentration Risk

Authenticity

Mitigated by rigorous due diligence and partnerships with leading experts.

Conservation and Storage

The collection is housed in climate-controlled, high-security facilities, ensuring long-term preservation and protection.

Illiquidity Risk

Mitigated by a long-term approach, the focus on high-demand art and a strong collector network enhance exit opportunities.

Subjectivity Risk

Reliable historical data, market trends, and expert insights are used to identify artworks with enduring value.

Concentration Risk

Reduced by diversifying portfolios across artists, periods, and styles, reducing dependency on any single segment or trend.

Assumptions

For the quantitative calculation:

- Average risk-free of 1% for the past 25y
- Art100 considers world's 100 top-selling artists, adjusted annually
- 26 periods (2000–2025), with February as the annual data point
- Thresholds for kurtosis and skewness are provided as guidance. Different investors may have different orientations.

Market Trends & Developments

Online Expansion

The pandemic accelerated the digital transformation of the art world. Platforms like Artsy, Sotheby's and Christie's now host high-value online auctions, increasing transparency and access.

Emerging Artist Spotlight

Investors are increasingly looking toward emerging talents like Touils, whose emotionally driven abstract work resonates with a younger audience and offers long-term appreciation potential.

Globalization of Demand

Demand for fine art is rising across Asia, the Middle East, and Latin America, driving prices up for both established and emerging artists.

Fractional Ownership

Platforms like Splint Invest are making it possible for investors to participate in high-value art markets without needing millions in capital, unlocking a new demographic of art investors.

Institutional Interest

Family offices and funds increasingly allocate a small percentage of portfolios to art for its non-correlation, hedge potential, and prestige.



Recent Successful Exits



**Salvador Dalí, Hidden Faces,
1952**

Expert	Artemundi
Exited on	02/12/2024
Holding period	12 months
Exit price	574.500 €
Realized net return	12.8%

Expected return p.a. at release	10.1%
If you had invested 500 EUR	564 EUR



**Duncan Robert McCormick,
Summer Oilseed, 2021**

Expert	Maddox Advisory
Exited on	21/10/2024
Holding period	14 months
Exit price	83.743 €
Realized net return	32.1%

Expected return p.a. at release	25.4%
If you had invested 500 EUR	661 EUR



**Albert Willem, A difficult
moment during the driving...**

Expert	Maddox Advisory
Exited on	24/5/2024
Holding period	11 months
Exit price	80.709 €
Realized net return	26.2%

Expected return p.a. at release	16.5%
If you had invested 500 EUR	631 EUR



**Marc Chagall, The sleep of love
(Le sommeil amoureux), 1956...**

Expert	Artemundi
Exited on	22/2/2024
Holding period	2 months
Exit price	198.000 €
Realized net return	15.4%

Expected return p.a. at release	7.0%
If you had invested 500 EUR	577 EUR



**Salvador Dalí, The Mill Tower,
1977**

Expert	Artemundi
Exited on	7/11/2024
Holding period	13 months
Exit price	155.000 €
Realized net return	15.5%

Expected return at release	8.2%
If you had invested 500 EUR	578 EUR

These Are Our Experts

Artemundi

Founded in 1989, Artemundi is a leading art investment firm with over \$1 billion in managed assets and thousands of successful transactions. As the advisor to Spectrum Utilis, S.L., it specializes in Impressionist, Modern, Post-War, and late 20th-century art. Known for its transparent, low-fee approach and art securitization, Artemundi offers investors a proven way to diversify through tangible assets.

- On the platform since: 2023
- Number of assets released: 10+
- Number of exits: 3
- Average return: 14.6 %
- Average holding period: 0.75 years



M&A Arts Sàrl

M&A Arts represents the leading edge in art and finance, spearheaded by Asher Edelman, the renowned investor and art collector. With an unparalleled experience and extensive relationships in the art world, M&A Arts offers deep knowledge and expertise in the financial aspects of the art market.

- On the platform since: 2024
- Number of assets released: 50+
- Number of exits: 0
- Average return: N/A
- Average holding period: N/A



These Are Our Experts

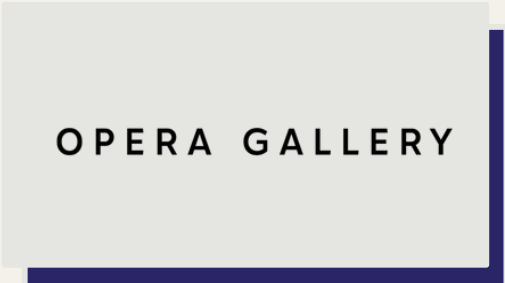
Maddox Advisory

The art investment advisors of Maddox bring together years of specialist knowledge and practical experience with objective market analysis to offer their clients quality advice and consistent returns. Maddox is known for its sincere enthusiasm, critical thinking, innovative insights and global savoir-faire.

- On the platform since: 2023
- Number of assets released: 100+
- Number of exits: 2
- Average return: 23.16%
- Average holding period: 1.04 years

The logo for Maddox Advisory London, featuring the company name in a bold, sans-serif font with 'LONDON' in a smaller font below it, all contained within a light gray rectangular box with a dark blue border on the right and bottom.

MADDOX ADVISORY
LONDON

The logo for Opera Gallery, featuring the company name in a bold, sans-serif font, all contained within a light gray rectangular box with a dark blue border on the right and bottom.

OPERA GALLERY

Opera Gallery

Founded in Singapore in 1994, Opera Gallery has grown into a global art leader with 16 locations worldwide, including London, Paris, New York, and Hong Kong. Led by Gilles Dyan, the gallery specializes in post-war French, Modern, and Contemporary art from Europe, America, and Asia. It represents both emerging artists like Andy Denzler, as well as established names such as Ron Arad and Manolo Valdés.

- On the platform since: 2024
- Number of assets released: 10+
- Number of exits: 0
- Average return: N/A
- Average holding period: N/A

These Are Our Experts

TGB London Limited

Founded in 2016 by Simon Portlock and Bradley Ridge, TGB London Limited is an art advisory and brokerage firm. Leveraging Simon and Bradley's expertise in the contemporary art market, TGB specializes in helping collectors curate world-class art collections. With a commitment to excellence, TGB provides unparalleled insight and support for art collectors to ensure the creation of extraordinary and remarkable collections.

- On the platform since: 2024
- Number of assets released: 10+
- Number of exits: 0
- Average return: N/A
- Average holding period: N/A



Zurani

Zurani supports family offices, wealth managers, and UHNWIs in navigating and investing in the global art market. The firm offers tailored services including market analysis, acquisitions, advisory, portfolio and risk management, and estate planning. Zurani focuses on educating partners and delivering customised solutions aligned with their unique investment goals.

- On the platform since: 2024
- Number of assets released: 5+
- Number of exits: 0
- Average return: N/A
- Average holding period: N/A

Why Splint Invest?



Curated Investment Opportunities

Splint Invest only selects art pieces that pass a thorough due diligence process, with emphasis on market liquidity, provenance, purchase price, historical performance, and artistic relevance.



Diversification without Complexity

Investing in art through Splint enables instant access to a historically low-correlated asset class with proven returns — ideal for portfolio diversification.



Secure Storage & Insurance

All artworks are stored in climate-controlled, insured facilities or freeports, ensuring asset safety and long-term preservation.



Expert Validation

We collaborate with trusted art advisors, market analysts, and galleries to identify artists with growth potential, and ensure artwork authenticity and valuation accuracy.



Track Record of Exits

Splint Invest has already exited several art investments with realized gains above the ArtPrice100 index benchmark, demonstrating the effectiveness of our selection process.



Data-Driven Decision Making

Our investment decisions are backed by in-depth market data, trend analysis, and pricing databases, ensuring each art piece is selected based on objective insights rather than speculation.

Reach Out To Us

"Art offers investment opportunities for a wide range of investor profiles—whether you're inspired by the potential of high-return contemporary works from respected, well-supported artists you genuinely connect with, or prefer the stability and long-term value of well-priced masterpieces in the modern or blue-chip category. The beauty of art lies in how it speaks to both your portfolio and your passion." - Mario von Bergen, Head of Investments & Co-Founder

Together with our art experts, we are looking forward to supporting your journey in building a meaningful and resilient art portfolio.



Mario von Bergen

MARIO VON BERGEN

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www.splintinvest.com

 **Splint Invest**

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