

ARTBLOC is a secure marketplace platform for the purchase and sale of fractionalized ownership interests in investment-grade private artwork with the accessibility and liquidity of public markets.

## ART HAS OUTPERFORMED EQUITIES, BONDS, AND GOLD

Over the past several decades, art as an investment has outperformed gold and even the S&P 500.<sup>1</sup>

Total sales, however, in the global art market has yet to reach US \$70 billion over the last ten years.<sup>2</sup>

A fundamental challenge in the growth of the global art market is that any investment-grade fine art piece, which is usually valued north of \$100,000 (USD), has to be purchased and sold in its entirety, that is to say the value of art pieces is non-divisible. Such a lofty price makes it difficult for investors to not only acquire the artwork, but also to liquidate their investment as well as manage their investment risk.

What if ownership of a piece of art could be fractionalized, bought, and sold in a way similar to how a share of a public company are in the stock markets? It would open up access to investing in art to a much broader set of investors who have previously been reluctant to do so because of the market's low liquidity coupled with its high entry price.

## TURNING ART INTO "LIQUID" GOLD

By utilizing security tokens to fractionalize the ownership of a piece of art, ARTBLOC expands the universe of potential investors while also providing investors the optionality to more precisely determine their exposure to that particular asset. Moreover, by establishing a liquid marketplace where such tokens can be easily traded, ARTBLOC aims to create a more accessible and transparent art investment platform.

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<sup>1</sup> Art Market Research 2018

<sup>2</sup> Arts Economics 2019

ARTBLOC issues and sells Art Backed Tokens (ABT), which are a type of asset backed token representing fractionalized ownership of an artwork with high investment value. After ABTs are ready to be listed on liquid exchanges, investors may buy and sell these tokens through ARTBLOC's OTC desk or other affiliated external trading platforms.

Through ARTBLOC, investors will now have the ability to purchase and sell tokens representing the fractionalized ownership of investment-grade artworks and further diversify their investment portfolios through exposure to art as an asset class.

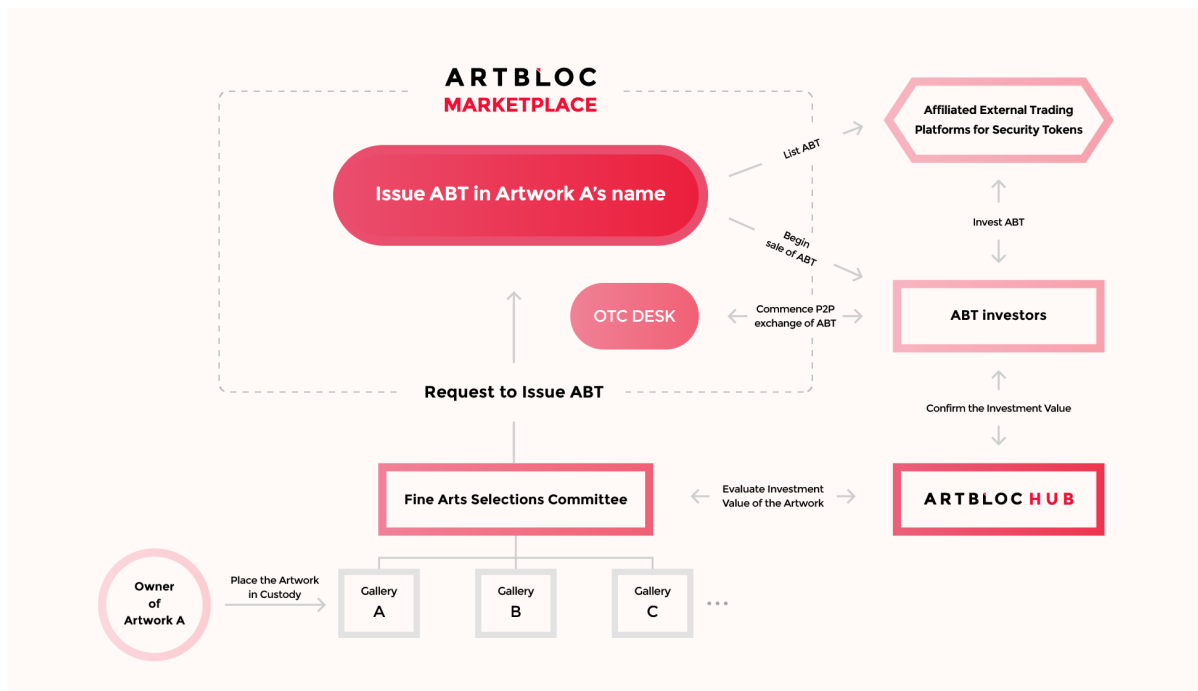
### **CONNECTING THE DOTS**

ARTBLOC's vision lies not only in expanding the art market and increasing sales of the artwork, but ARTBLOC aspires to build an open and borderless art community called "ARTBLOC HUB," to connect online and offline art communities scattered across the world.

Current enclosed and disconnected art communities cause huge inefficiency in art trades and in the art commerce market in general. For example, an investor, who wishes to purchase an artwork for investment purpose, must invest his or her own time to acquire information on the artist and the artwork by building offline network with the art galleries and other related entities. This process often requires countless effort and hours of labor from an investor - such restrictive access to the information of the artworks creates rather high entry barrier which hinders new investment funds to flow into the art commerce market.

ARTBLOC proposes to build an interactive community called ARTBLOC HUB where the users can share various art related information with other users and receive ARTB Tokens as rewards for their contributions to the community. With the information accumulated from various users, ARTBLOC HUB can collect data related to the artwork and share this information with any verified users of ARTBLOC HUB service.

ARTBLOC HUB would serve a role as an information provider to help the investors to make objective and sound investment decisions in purchasing the artworks. By making art related information more easily accessible to the users of ARTBLOC services, ARTBLOC aims to address and reform inefficiencies in the art trades.



## POWERED BY THE GLOBAL NETWORK OF ARTISTS

The founder and CEO of ARTBLOC, Jun Kim, has 5 years of experience of running an online art trade platform with more than 10,000 artists from more than 30 countries and 45,000 artworks registered. He has established a global network of artists, galleries, and collectors. After years of working with various players in the art market, he came to understand the key claims of each participant in the ecosystem.

With the global network and domain knowledge in the art market, ARTBLOC will build an alliance that consists of influential artists, collectors, critics, and galleries. Together with members of the alliance, ARTBLOC aims to resolve the existing problems in the art commerce market and change the paradigm of art investment, ultimately driving the growth of the art market in general.