

## Key Updates

### YE 2022 appraisal results outperforming expectations

In May 2022, Yieldstreet x Athena Art Finance launched Art Equity Fund IV ("Fund IV"), a diversified investment fund owning 6 works created by 5 artists: Jean-Michel Basquiat, Damien Hirst, Edward Ruscha, Lucio Fontana and Sol Lewitt.

\$15.5M of initial capital was used to acquire the portfolio in 2022. At the end of December 2022, all of the artworks in the Fund were reappraised by independent third-party appraisers, resulting in a **total gross appraisal value increase of 25.6% since acquisition**.\* Following these reappraisals, the Fund Manager increased fine art insurance coverage on the Fund artworks accordingly.

Net investor returns will be made available when the artworks are sold (subject to the Fund Managers' discretion) and will take into account fund fees and expenses as outlined in the Fund's Offering Documents.

### Portfolio management: Performing in line with expectations

The Fund Manager, Athena Art Finance, will continue to obtain independent, third-party reappraisals on the Fund artworks every year, and updates will be communicated to investors.

Artworks in the Fund, as well as the art market at large, are continuously monitored and their value is assessed based on sales data to optimize timing of purchases and sales. We intend to pursue liquidity events for our investors commencing on the second anniversary (year 3) following the initial closing. The target net annualized return over the life of the Fund is projected to be 15% - 20%<sup>2</sup>.

### Market Highlights for Fund IV Artists

- Ruscha's "Cold Beer and Beautiful Girls" sold for \$18.8M, claiming the spot of his fifth highest sale in March (source: Sotheby's, May 2022).
- In November, Sotheby's sold Lucio Fontana's "Concetto Spaziale" for 1.5x its low estimate (source: Sotheby's, November 2022).
- Basquiat's third highest price was achieved at Phillips with the sale of "Untitled" (1982) for \$85M (including buyer's premium) (source: Phillips, May 2022).

Portfolio Composition and Auction details are available in the Appendix.

## At a Glance

### Art Equity

Returns source(s):

- Sale of artworks

### Investment Overview

The Fund consists of 6 blue-chip Post-War & Contemporary artworks. The diversified nature of the Fund reduces concentration risk for investors, as compared to investment in a single piece of art.

The Fund has sought to acquire only exceptional examples of each artist's most iconic subject matters, from the most important period of their careers.

### Target Annualized Net Return<sup>2</sup>

15% - 20%

Given the supportive market backdrop, net annualized return (when calculated at final realization) above 15% on invested capital will be split between investors (85%) and Yieldstreet (15%)

### Payment Schedule

Event-Based

### Target Term<sup>1</sup>

May 2027

## Appendix

### Portfolio Composition

### Auction Details

Artist	#of Pieces in the portfolio	Genre	# of Comparable artworks auctioned in 2022	Average Hammer Price (> low auction estimate)
Jean-Michel Basquiat	1	Post-War & Contemporary	12	1.1x
Lucio Fontana	1	Post-War & Contemporary	5	1.1x
Ed Ruscha	1	Post-War & Contemporary	9	1.5x
Damien Hirst	2	Post-War & Contemporary	11	1.2x
Sol Lewitt	1	Post-War & Contemporary	2	1.2x
<b>Total:</b>	<b>6</b>			

*\*Based on an independent third party appraisals of the Fund artworks conducted at the end of December 2022, the total appraised value of those artworks has increased by 25.6% since acquisition. This is not a fund or asset performance measure. Actual realized performance experienced by an investor may deviate materially from the current appraised value of the portfolio.*

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