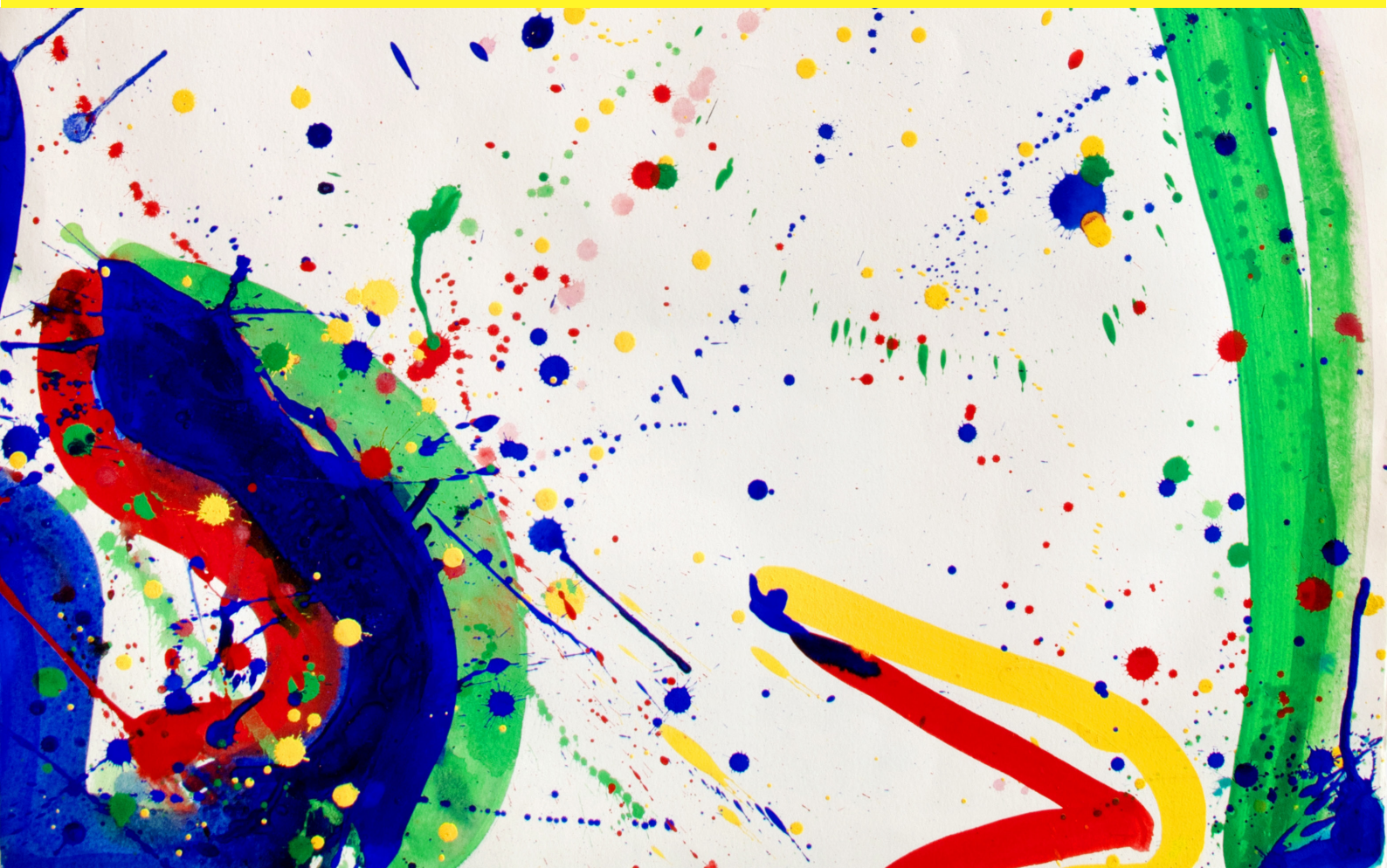


artnet



Artnet AG Quarterly Interim Statement
for the First Quarter 2024

The Art World Online

Since 1989, Artnet has revolutionized the way collectors, professionals, and art enthusiasts discover and collect fine art today. Artnet's founder, Hans Neuendorf, provided a clear vision from the outset: to create the leading online resource for the international art world – a trusted and transparent global marketplace to buy, sell, and research fine art.

As the art market continues its digital transformation, our purpose remains more relevant than ever. The current financial year is seeing the continued drive towards a truly digitally enabled art market, which had been one of the last bastions resisting the adoption of online commerce. Today, catalyzed by the global pandemic, we have witnessed a radical shift in behavior in the industry, and Artnet's long held vision of a transparent, digital art market is starting to become a reality.

With that in mind, the future is looking bright. Artnet continues to strive towards its vision, and is valued by the market as the industry's key independent information provider and marketplace. With a uniquely broad platform and reach, Artnet is positioned to lead and guide the market in its shift towards a digital art market, as it has done since its inception.

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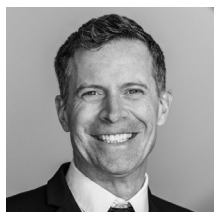
Executive Team



Jacob Pabst
Chief Executive Officer



Albert Neuendorf
Chief Strategy Officer



Quentin Rider
Chief Technology Officer



Bill Fine
President

Supervisory Board



Dr. Pascal Decker
Chairman of the Board



Prof. Dr. Michaela Diener
Substitute Chairwoman of
the Board



Hans Neuendorf
Boardmember

“As anticipated, the first quarter of 2024 saw the challenging market conditions of the previous financial year carry into the next. The impact on operating margin was reduced via focused cost saving measures that started in 2023. The market is expected to improve in the second half of the year, with key high-impact product releases bolstering performance.”

*Jacob Pabst,
Chief Executive Officer*

First Quarter Business Highlights

40.5 Million pageviews

in the first quarter

Revenue Breakdown per Segment

37% Marketplace **32%** Media **31%** Data

Marketplace

USD 175,000

for Kikuo Saito's *Sugar Moon* (2011)
against a high estimate of 100,000
USD

USD 101,000

for Nick Brandt's *Ranger with Tusks
of Killed Elephant, Amboseli* (2011)
against a high estimate of 70,000 USD

USD 162,000

for Salvo's *Sant Anna* (2009) against
a high estimate of 120,000 USD

Media

Major media and advertising partnerships with:

Lexus x artist Jim Denevan
JP Morgan Private Bank

Data

+10%

(234,000) increase in data entry relative to previous year



Kikuo Saito's *'Sugar Moon,'* 2011, sold on Artnet Auctions for 175,000 USD in Q1 2024

Business Model and Artnet Group Organization

artnet AG is a holding company whose shares are listed on the Regulated Market (Prime Standard) of the Frankfurt Stock Exchange. artnet AG's principal investment is its wholly-owned subsidiary Artnet Worldwide Corporation, which was founded in New York in 1989. Artnet AG ("the Company"), Artnet Worldwide Corporation ("Artnet Corp.") and Artnet UK Ltd ("Artnet UK") (together "Artnet" or "the Group") operate under the brand name "Artnet". Artnet UK Ltd, based in London, is a wholly owned subsidiary Artnet Corp.

Artnet has three primary operating segments: Data, Marketplace and Media. With over 235 million page views in 2023, Artnet is one of the leading art market platforms in the world, with more reach than key competitors Artsy, Theartnewspaper, ArtNews, and Hyperallergic combined (source: Similarweb). By providing up-to-date information on market movements, galleries, price developments, exhibitions, news and reviews, it empowers art enthusiasts, collectors and art experts to navigate the art market.

The declaration required under 161 of the German stock corporation act concerning the German Corporate Governance codex have been issued and made available to shareholders via the Artnet website.

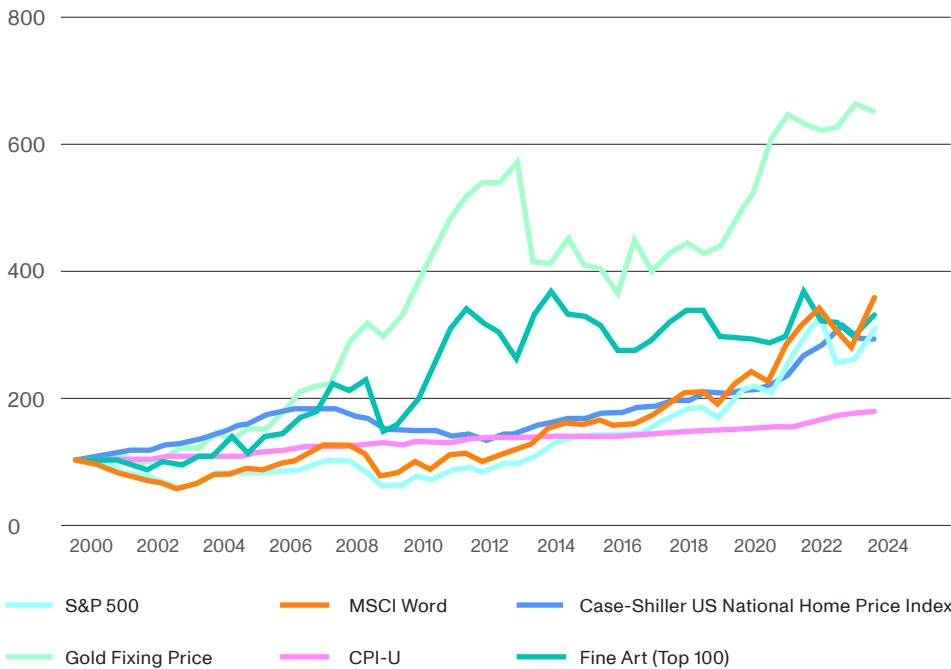


Nick Brandt's *'Ranger with Tusks of Killed Elephant, Amboseli, 2011'*, sold on Artnet Auctions for 101,250 USD in Q1 2024.

Global Economic Development

The 2023 financial year saw numerous macroeconomic challenges that have carried through to the beginning of 2024. Due to rising energy prices and supply chain disruptions combined with a tight labor market, inflation was higher and more widespread than expected (source: IMF). Socio-political instability caused by the conflict between Russia and the Ukraine as well as in the Middle East have significantly contributed to market fluctuations, rising oil prices, and supply chain disruptions (Source: Financial Times).

Global growth is forecast at 3.2 percent in 2024 and 3.3 percent in 2025. That compares to 2.6% in 2023, 3.0% in 2022 and 6.2% in 2021 when there was a rebound as the pandemic ended (source: World Bank 2023). That would make growth weaker in the 2020-2024 period than during the years surrounding the 2008-2009 global financial crisis, the late 1990s Asian financial crisis and downturns in the early 2000s (Source: Reuters). Varied momentum in activity at the turn of the year has somewhat narrowed the output divergence across economies. Services price inflation is holding up progress on disinflation, which is complicating monetary policy normalization. Upside risks to inflation have thus increased, raising the prospect of higher-for-even-longer interest rates, in the context of escalating trade tensions and increased policy uncertainty (Source: IMF Global Economic Prospects Report).



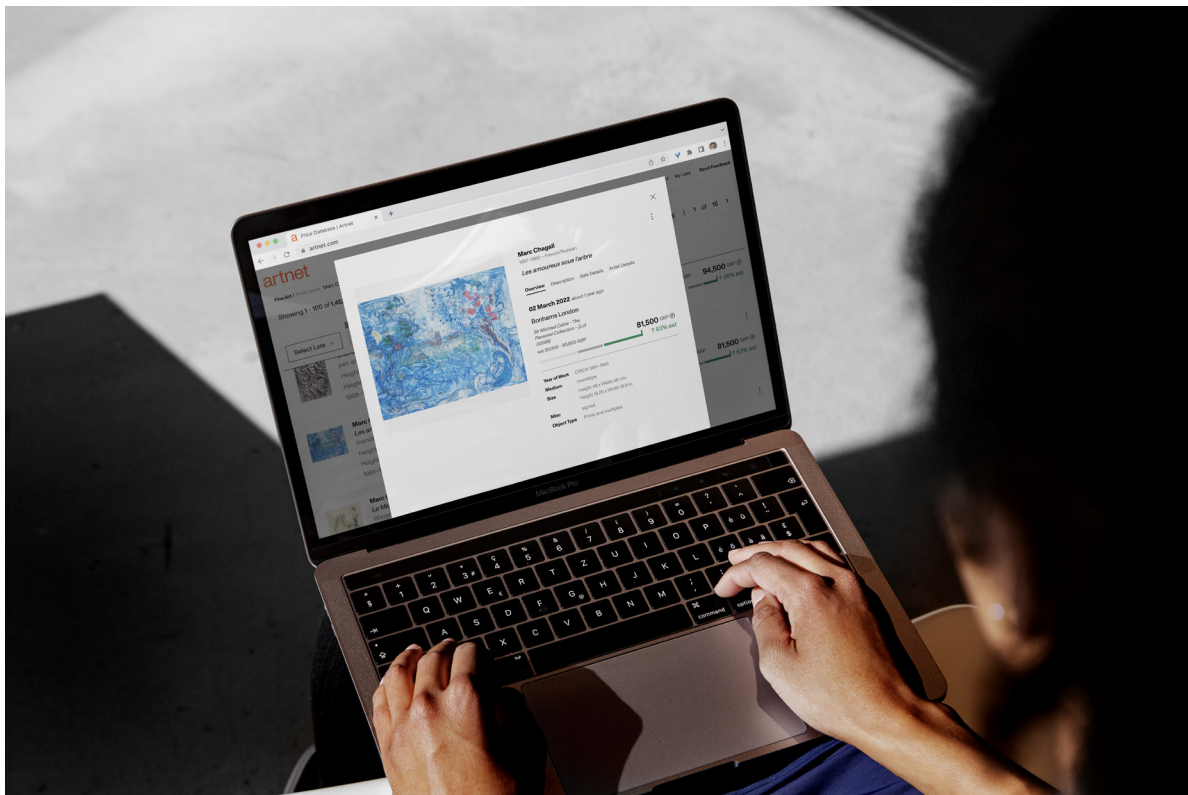
Deloitte Art and Finance Report 2023

Art Market Development

Difficult economic conditions in 2023 prompted consumers to allocate their money more conservatively, negatively affecting art market sales. After staging a formidable comeback from the pandemic in 2021, when near-zero interest rates flooded money into everything from historical masterpieces to animal NFTs, the global marketplace for fine art contracted 12.7% in 2023 (Source: Artnet Intelligence Report 2024). Sales at Sotheby's, Christie's, and Phillips dropped 23% during 2023 in comparison to the previous year. The high-end of the market (works priced \$10 million and more) contracted 40% during 2023. The Ultra Contemporary segment of the market, until recently a major growth driver, declined 26% in comparison to 2022 (Source: Artnet Intelligence Report 2024).

A total of \$440.3 million worth of fine art sold in online-only sales at Sotheby's, Christie's, Phillips, Bonhams, and Artnet Auctions in 2023 (Source: Artnet Intelligence Report 2024). The result represents a 12% dip from 2022, in line with the market's overall decline. Total online sales in 2023 were almost triple pre-pandemic levels, and more works sold online last year than ever before (including during lockdown). This suggests that both buyer and seller behavior around transacting virtually has changed for good (Source: Artnet Intelligence Report 2024).

According to Artnet's index for fine art, the fine art market exceeded the S&P500's performance between January 2022 and July 2023, where fine art returns grew a nominal 4.2% against a 6.6% loss for the S&P500 during the same period. Despite a spike in inflation and higher interest rates, art prices suffered less than other asset classes during this period of economic stress. This demonstrates the asset class's ability to act as an effective hedge, especially with regard to the blue-chip, high-end art category (Source: Deloitte Art & Finance Report).



Artnet's Price Database

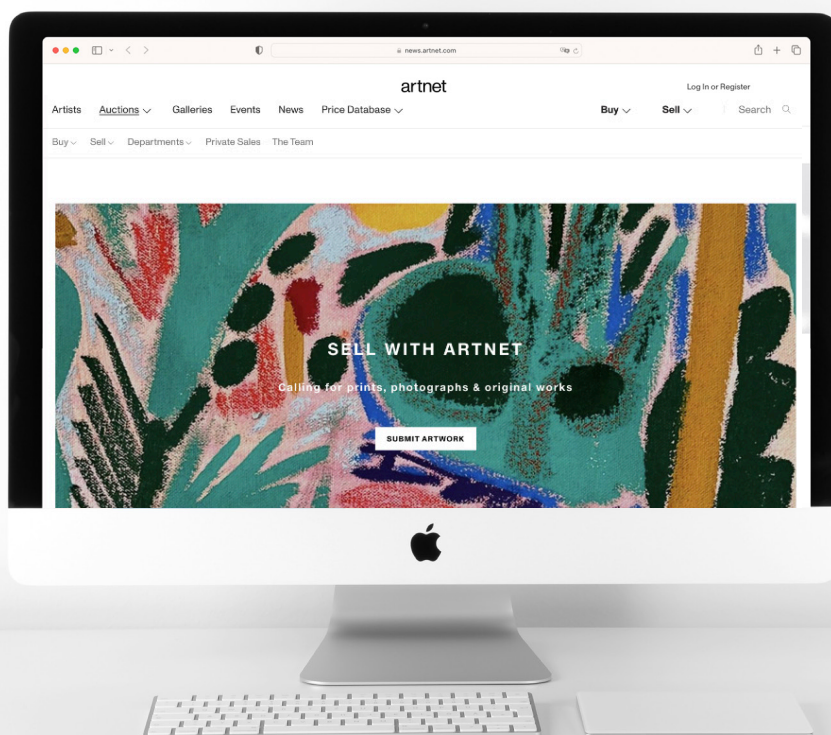
Development of Segments: Media, Data, Marketplace

Media

Artnet News is the world's 24-hour international online art world newswire. It informs, engages, and connects members of the art community to the events, trends, and people shaping the market and global art industry through timely articles and insightful opinion pieces. Artnet News has a larger audience than the next four art focused content publishers combined. This is underlined by data from the platform Similarweb; Artnet's reach is wider than that of its next four competitors combined: Artsy, Theartnewspaper, Hyperalleric, and ArtNews (Source: Similarweb). Artnet News attracts a high-value audience that is a desirable target market for fashion and luxury brands.

Artnet News Pro, a metered partial paywall subscription, offers subscribers market- critical, data-driven editorial. Harnessing Artnet's Data, our journalists give our readers an unparalleled level of insight into the art market.

Media revenue decreased to 1,715 k EUR in Q1 2024 (2023: 2,032 k EUR). This was primarily due to economic headwinds resulting in lower advertising budgets at both luxury brands and galleries. Sponsorships and brand partnerships are an increasingly significant revenue driver as the team pursues larger scale bespoke opportunities that deliver strong margins and drive brand alignment and value to Artnet's audience.



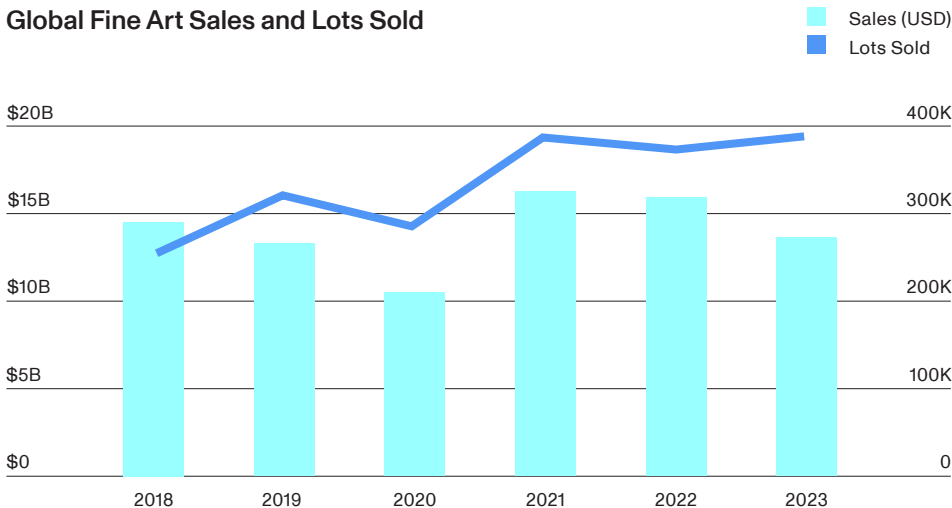
Artnet Auctions

Marketplace

Artnet Auctions, launched in 2008, provides unique value to buyers and sellers in the art market. Through an online-only model, transaction costs are lower than at incumbent brick-and-mortar competitors. Agile operations and sale calendars permit significantly higher degrees of liquidity and pay-out for sellers. The innovative model also permits the reduction of operational overheads, logistics costs, and warehouse risks are also significantly reduced. Buyers and sellers value the leaner commission structure, fast end-to-end execution time for transactions, and intuitive user experience. Artnet Auctions focuses on the Modern, Post-war and Contemporary, and Ultra Contemporary art categories. Within those segments, Artnet Auctions is focused on the mid-market (defined as works priced between \$100,000 - \$10m), which carries the largest proportion of transaction volumes. The platform has continued to pursue a strategy of increasing average transaction values to drive operating margins, and now more regularly sells works above 100,000 USD. 48% of transactions were via mobile, with most transactions coming from the US, UK, and Europe (in that order).

Artnet Galleries represent the world's most prestigious galleries from 61 countries. Galleries members are indexed by specialty and location, with approximately 289,300 artworks featured on the platform through Q1 2024 (Q4 2023: 297,000). Artnet provides extensive informational depth with content-rich pages to help buyers from around the world discover artworks from leading galleries. A strong SEO profile and a focused content-to-commerce strategy is one of the ways in which qualified traffic and engagement to partner inventory is enabled, offering galleries introductions to buyer pools on a global scale.

Global Fine Art Sales and Lots Sold



Artnet Intelligence Report 2024

Similarly, Artnet Auction House Partnerships offer auction houses a way to gain international exposure for their sales and drive a high volume of potential buyers directly to their proprietary sites. With a partnership, auction houses have the flexibility to post complete or partial sales on Artnet, with the option of linking every lot on Artnet back to the same lot in their online catalog.

All upcoming sales are listed on our Events page and rank high on both Artnet and external search engines. Auction House partnerships are a tool for auction houses to expand their international presence and direct many potential buyers to their website.

Top lots during the first quarter of 2024 included Kikuo Saito's '*Sugar Moon*,' which realized **175,000 USD including premium**, against a high estimate of 100,000; Salvo's '*SantAnna*,' which hammered down at **162,500 USD including premium** against a high estimate of 120,000 USD; as well as Nick Brandt's '*Ranger with Tusks of Killed Elephant, Amboseli*,' which realized **101,250 USD including premium**, against a high estimate of 70,000 USD.

Revenue from the Marketplace segment decreased 11% in Q1 2024 to 1,972k EUR (2023: 2,211k EUR). This is primarily due to strong economic headwinds, the ripple effect of which was a decrease in collectors' purchasing power and appetite for risk; as well as a decrease in artworks brought to market. The result of which was a 12.7% decline of sales at auction houses worldwide, also impacting the Marketplace segment (Source: Artnet Intelligence Report 2024).

Data

The Price Database is an online database of more than 17 million color-illustrated auction results from all the world's leading international auction houses. Composed of the Price Database Fine Art and Design and the Price Database Decorative Art, this product introduced price transparency to a historically opaque market. The Price Database is a B2B and B2C subscription product with a diverse client base, including appraisers, dealers, auctioneers, wealth managers, banks, family offices, and private and government institutions such as the IRS and the FBI. Subscribers to the database receive access to upcoming auction information, recent auction results, and auction records dating back to 1983, as well as the up-to-date and impartial assistance with the appraisal value of artworks.

During 2023, the renewed Price Database was released for all customers. Additional features are being added regularly, with a view to continually optimizing our services. Artnet has invested in its core product and is excited for the new era of transparency that the new Price Database will bring as it strives towards its vision of creating an efficient, global art market. The renewed Price Database is built on a new API-first architecture, introducing the opportunity for transformational new data delivery formats. A mobile optimized design will ease access to our global user base and drive search volume, and the implementation of elastic search introduces vast new search possibilities. Artnet's Data Science team has produced intelligent, reactive analytics that generate deep insight and understanding of the art market.

The Price Database provides a vital tool for private collectors to appraise the works they own and evaluate opportunities at upcoming auctions or on the dealer market. Dealers and auctioneers can use comparable sales from the Price Database to support the valuation and sale of important works of art.

Enterprise Data Services is a newly introduced service within the Data segment. It empowers our clients to take full control over the data analysis by accessing the raw data and data updates directly.

Market Alerts inform subscribers by email when artworks by their favorite artists come up at auction (including Artnet Auctions), are featured in upcoming events, or are offered through Artnet Galleries.

Artnet Analytics is also part of the Data segment. Reports created by the Data Science team analyze the market development of artists, art movements, art genres or a selection of artworks, and include comparisons to more traditional investments including equities, government debt, and commodities.

Fine Art Lending also forms part of Artnet's Data services. Fine Art Lending refers to the practice of taking out loans against Fine Art & Collectibles. This provides borrowers with additional liquidity to expand their collections or fund new alternate investments, without selling items from their collections or disrupting their investment strategy. The overall market size of outstanding loans against art reached over 30 billion USD in 2023, a 10% growth rate YoY, and is expected to grow to \$34.1 billion in 2024. (Source: Deloitte Art & Finance Report 2023)

Core to the Artnet Group's vision is providing a holistic ecosystem for the global art market. As one of the industry's primary data providers, Artnet is a natural home for Fine Art Lending. By partnering with some of the world's leading asset backed lending providers, Artnet is pleased to offer its customers a valuable additional amenity in the renewed Price Database.

Price Database revenue decreased 7.2% to 1,635k EUR in Q1 2024 (2023: 1,763k EUR). Even though the Data Segment's User Experience and product offering was thoroughly optimized, this hasn't been reflected in contracts and pricing models. Optimized B2B and B2C contracts and pricing will lead to growth within the Data segment in 2024.

Responsibility: ESG Report

Artnet published its voluntary ESG report in conjunction with the annual report 2023.

Artnet values its role in assisting clients in engaging with fine art and collectibles. Whether Artnet's clients are researching, evaluating, buying, or selling art, they count on the Company to understand both the cultural and commercial value of art —and to ensure the responsible sale of their fine and decorative art in a transparent, efficient, and sustainable way. The report was prepared in accordance with globally accepted reporting standards and provides information on Artnet's objectives and measures relating to different stakeholders, which include our clients, employees, suppliers, shareholders, and society and the environment in general.

The ESG report can be found on Artnet's Investor Relations page.



Yayoi Kusama, *Flowers A*, 2005, sold on Artnet Auctions for 32,500 USD during Q1 2024

Risks and Opportunities

Artnet operates in a challenging niche market. To monitor and adapt to a changing landscape, Artnet continuously observes internal and external risks and opportunities. There has not been a material change in the risk profile of the Company as compared to the 2023 reporting year. Management is monitoring global economic developments and inflationary pressures closely but sees no need for immediate action. A detailed overview of all opportunities and risks can be found in the 2023 Annual Report.

Financial Position

Due to lower-than-expected performance in the Media segment, Artnet's revenue decreased by 11% to 5,322k EUR in the first Quarter (2023: 6,006k EUR).

Gross Profit in the first three months decreased by 20%, or 671k EUR, to 2,733k EUR because of decreased revenue.

Operating Expenses decreased by 19% or 806k EUR to 3,569k EUR (2023: 4,376k EUR) driven by decreased Sales and Marketing and General and Administrative expenses.

As a result, Operating Income for the first quarter of 2024 was -836k EUR (2023: -972k EUR).

Outlook



Jacob Pabst, Chief Executive Officer

“During the current financial year, our focus is on maximizing operational efficiency with a view to delivering profitability.”

We continue to operate in a challenging market environment in 2024. Global GDP is likely to grow 2.4% during the current financial year. That compares to 2.6% in 2023, 3.0% in 2022 and 6.2% in 2021 when there was a rebound as the pandemic ended. That would make growth weaker in the 2020-2024 period than during the years surrounding the 2008-2009 global financial crisis, the late 1990s Asia financial crisis and downturns in the early 2000s.

Despite an uncertain macroeconomic environment and a challenging art market, the Artnet Group is in a stable position. The revenue distribution on three synergetic segments and the adoption of online transactional formats as a core way of doing business contribute to the stability of the business - and this trend is expected to continue. While this systemic shift has increased competitive pressures from larger market incumbents and well-funded new entrants, Artnet delivers a holistic online environment for the modern art market and benefits from a robust revenue profile. With nearly 235 million pageviews in 2023, and 67 million users, our digital reach within the art industry is unparalleled. Additionally, due to its history as a pioneer of data and transparency, and a reputation for independent, quality journalism, Artnet brand is trusted and recognized globally.

Artnet’s diversified business model has proven robust through downturns, and each of our main segments have significant growth potential. I am looking forward to the completion of important technology projects including the redevelopment of much of the platform front-end UX in 2024. We are anticipating this dampened economic environment to continue in the year ahead, with the possibility of improved conditions in the second half of 2024. With that in mind management has set a conservative growth target is focused on generating increased operating income through the realization of efficiencies in 2024. Artnet is operating without additional financing and while we

see several clear opportunities to significantly accelerate growth, a cautious, staged approach is necessary to safeguard the company's financial health.

The outlook for the individual segments has not changed since the publication of the Annual Report 2023 in August 2024. Management confirms the forecasts.

New York, September 3, 2024

A handwritten signature in black ink, appearing to read 'JP' or 'J.P.', with a long horizontal line extending to the right.

Jacob Pabst
CEO, Artnet AG

Endnotes

Reuters, World Bank Forecasts Global Growth to Slow for Third Consecutive Year, David Lawder, January 2024

IMF, Steady but slow: resilience amid divergent, April 2024

WorldBank Global Economic Prospects 2024, Nandita Roy, 09.01.2024

Artnet News Intelligence Report 2024, Naomi Rea, 29.02.24

Useful Information for Shareholders

Artnet AG Supervisory Board

Dr. Pascal Decker, Chairman
Prof. Dr. Michaela Diener, Deputy Chairwoman
Hans Neuendorf, Founder, Artnet AG

Management Board Artnet AG

Jacob Pabst, CEO

Artnet Worldwide Corporation

Jacob Pabst, CEO
Albert Neuendorf, CSO
Quentin Rider, CTO
Bill Fine, President

CEO Artnet UK Ltd.

Jacob Pabst, CEO

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German Securities Code Number

The common stock of Artnet AG is traded on the Prime Standard of the Frankfurt Stock Exchange under the symbol "ART." You can find notices of relevant company developments at artnet.com/investor-relations.

Stock Market Information

WKN A1K037
ISIN DE000A1K0375
LEI 391200SHGPEPTRIC0X31

Investor and Shareholder Relations

The Artnet Group places great value on a positive and fruitful exchange with its stakeholders. We look forward to staying in touch with you. Please find all relevant information for investors, the financial statements, and updates at artnet.com/investor-relations.

If you have further queries, please don't hesitate to get in touch:

Sophie Neuendorf, Vice President, Investor Relations
sneuendorf@artnet.com

Newsletter

The Artnet Group sends regular newsletter updates to its shareholders. Please sign up by emailing ir@artnet.com with your name and email address.

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