

CORPORATE NEWS

NAGA initiates a turnaround - Q4 sales of € 2.5M exceed cumulative Q1-Q3 sales. Commission-free stock trading launched.

- Q4 trading results stronger than all previous quarters of 2019 combined
 - Commission free-stock trading started
 - Increased transaction volume with lower acquisition costs
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NAGA Group AG looks back on an eventful financial year 2019. Trading revenues increased from quarter to quarter over the course of the past year. Whilst the first half of 2019 was still characterized by substantial restructuring, the renewed management team was able to concentrate on business development, the improvement of the product range and customer satisfaction from the second half of the year.

“Especially from Q4 onwards, we were finally able to work properly again. After improved trading revenues in October, we were able to increase strongly again in November and December and achieved sales of over € 2.5M. This makes Q4 one of the best quarters in terms of trading revenue since the company was founded - and this with significantly reduced operating costs. We also saw a significant increase in transactions and see reduced customer acquisition costs.” summarizes NAGA founder & CEO Benjamin Bilski.

Compared to the second half of 2018, the new management increased the trading volume in the same period in 2019 by over 90% from 14 billion to over € 27.8 billion. Real money transactions rose by 128% from 728 thousand to 1.8M. The most promising fact is the proof of concept of the Autocopy feature. The transaction volume has increased by more than 500%. 110 thousand trades were copied in the second half of 2018, while NAGA recorded 730 thousand copied deals in the comparable period of 2019. On the acquisition cost per customer side, NAGA improved by around 65% and marked a value of around €500 per new customer. This is significantly below the industry average of around € 1000. Due to the weak first half of 2019, the result for 2019 is below that of the previous year, but the focus is still on growth.

"We are pleased that the new strategy is already delivering results. We are currently working with limited resources, which, however, makes us as efficient as possible. From now on, the most important KPI will be the monthly active user. This is where the greatest potential for improvement is, and we will work on this with targeted marketing activities and customer



focus. The last quarter showed that we are on the right track, so our goal is to use the momentum and pursue even greater growth from there.” adds Bilski.

Commission free stock trading launched.

Despite all the challenges we faced over the course of the year, the changes at shareholder and operational levels, NAGA worked on a major product launch: trading in real stocks free of charge. The development of the integrated solution in the NAGA platform took a total of 16 months.

Commission free stock trading is currently offered for around 417 shares on 9 stock exchanges. NAGA customers can use the entire product range from CFDs, FX, ETFs and Cryptos combined with social trading, to the in-house NAGA Prepaid, to investing in real shares free of charge.

“In 2015, our vision was to develop a platform with NAGA that enables investing across all asset classes. Now, right on time for the beginning of 2020, we have fulfilled our vision and, in addition to the 500 instruments on our platform, introduced investing in real shares - all free of charge and combined with the unique function that traders can copy each other and earn bonuses for it. We want to be an alternative to the existing direct brokers in the country and to help Germany invest more in shares again,” Bilski comments on the launch.

Commission-free stock trading has been initially introduced exclusively for European NAGA customers. More information can be found at <https://www.naga.com/free-stock-trading>.

NAGA also documents a change in the management board. Michalis Mylonas, who has been chief executive of the market maker NAGA Markets Ltd. since the beginning of 2017 in Cyprus, was appointed to the Management Board on November 1, 2019 and will assume the financial and regulatory responsibility within the group.

“2020 stands for getting NAGA back on track and proving to partners and customers, and above all our shareholders, that NAGA has great growth potential. Our core product and technology are now at the level they should be at, providing a superior and reliable integrated value proposition. It all took time, but NAGA is ready; and the NAGA team is geared to now build up exposure for the brand with full energy and in full force to gain new business - in Europe, but especially in Southeast Asia, which has got off to an excellent start.” Bilski concluded.



THE NAGA GROUP AG:

THE NAGA GROUP AG was founded in August 2015. The listed company offers a platform that combines personal banking, stock and CFD trading as well as a social network. With services such as the cryptocurrency wallet, the NAGA Card and the Autocopying function of leading traders on the platform, NAGA allows investments across all asset classes. The word "NAGA" is Sanskrit and means "cobra snake". It is also the name of the world's hottest chili variety.

Link to THE NAGA GROUP website: <https://thenagagroup.com>

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