



CORPORATE NEWS

NAGA publishes preliminary trading update on the first half of 2022

Hamburg, July 22, 2022 - In addition to today's mandatory announcement, The NAGA Group AG (XETRA: N4G, ISIN: DE000A161NR7) operator of the neobroker NAGA, the cryptocurrency platform NAGAX and the neobanking app NAGA Pay, announces a preliminary trading update on the half year 2022.

The Company reports that the overall Group performance across all divisions was strongly impacted primarily by the rapid crypto downturn in the second quarter in the trading activities segment. In addition, substantial investments were made in trading activities, marketing and technology in the NAGAX segment, which will pay off later than planned due to the current market situation.

However, the management team remains confident that investments in trading activities as well as products will develop positively. NAGAX is now fully developed with the web platform, mobile apps and the NFT platform and will soon enable cryptocurrency payments in conjunction with NAGA Pay subject to final VISA approval.

"The significant downturn in the crypto market came abruptly and especially it has affected small cap tokens more than Bitcoin or Ethereum. Nevertheless, we firmly believe that the crypto market will come back in the medium term and NAGA is now well prepared. We, like many peer group companies, have viewed digital currencies as an absolute growth driver. Fundamentally, the adoption in the cryptocurrency market has improved, however, the current extremely negative overall sentiment in the global financial markets is simply affecting the segment too much," said Benjamin Bilski, founder and CEO of NAGA.

Given the above developments in the crypto market, NAGA continues to focus on its brokerage business. The positive trend of new registrations on the platform continues, and during July the 30,000 customer mark is expected to be exceeded. In addition, the brokerage business has generated an estimated EUR 33.5 million in revenue in the first half of 2022, which is 30% higher than the previous year's level of EUR 22.3 million in revenue in the same period.

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"The fact that we were able to increase brokerage revenue by an estimated 30% in such difficult market conditions and record increased user registration levels makes us feel confident about our core business. Indeed, we expected additional revenues from our crypto segment in 2022, but regrettably we will not be able to achieve this. Our focus in the second half of the year given the adverse developments on crypto will be on core metrics and business and optimize both our marketing initiatives as well as the operational efficiency and costs." concludes Bilski.

Finally, The NAGA Group AG wishes to inform that the audited annual financial statements 2021 are expected for mid-August 2022. The delay is mainly due to resource bottlenecks on the audit side as well as complex IFRS issues regarding the accounting of crypto assets.

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About NAGA

NAGA is an innovative fintech company that seamlessly connects personal finance transactions and investments through its social trading platform. The company's proprietary platform offers a range of products from stock trading, investments and cryptocurrencies to a physical VISA card. Additionally, the platform allows for exchanges with other traders, provides relevant information in the feed, and autocopy features for successful members' trades. NAGA is a synergistic total solution that is easily accessible and inclusive. It provides an improved foundation to trade, invest, network, earn and pay. This applies to both fiat and crypto products.

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