



## – ***NAGA, The Future***

Dear Shareholders,

In this first direct communication to you, I would like to reflect and take stock of the past as well as give you our vision for the future. NAGA has crossed many milestones in the last 3 years: by year-end 2022, we had welcomed more than 90,000 customers on our platforms, delivered in 2021 (2022 figures to follow shortly) revenue growth to EUR 53 million, up from EUR 7.6 million in 2019 yielding a 690% growth, and extended our market share despite aggressive competition as well as a tightening regulatory framework.

We are not as bold as saying that everything that happened in the past 3 years has been perfect but at least our decisions have been ours and we have owned them. We feel that we understand the users of the future and all that drives them. There are more people and there is more wealth on this planet right now than ever before and they all want the same thing: a community, social, mobile, tech, access to financial opportunity, payments at their fingertips, share with each other and learn from each other. NAGA brings this future here, today. Through our unique technology, user experience, robust regulation and reputation, we aim to accelerate our growth and by doing so, hope to create a powerful and long-lasting brand, both in established and large but also in emerging markets.

We have a window of opportunity as larger players mobilize resources to pursue the technology route, but they have not been where we have and they cannot fathom the depth of our maturity both from a marketing and tech perspective as well as from a regulatory and compliance one. Our goal is to move quickly to solidify and extend our current position whilst we pursue serious acquisition opportunities and welcome them to our family, to our unique ecosystem and technology. NAGA is built for that and is part of our vision as we become a global powerhouse. This strategy is not without risk however: it requires serious investment and crisp execution against established leaders.

### ***Protect the short term, focus on the long term***

We believe that a fundamental measure of our success will be the shareholder value we create over the *long term*. This value will be a direct result of our ability to extend and solidify our current market position. The stronger our market share, the more powerful our economic model. A strong Market position can translate directly to higher revenue, higher profitability and subsequently stronger returns on invested capital.

Our journey has entered maturity stage. Long Term strategy and maturity requires us to weigh decisions differently than other companies. Accordingly, we want to share with you our fundamental management and decision-making approach so that you, our shareholders, may confirm that it is consistent with your investment philosophy:

- We will continue to focus on the healthiness of our regulatory compliance status, even if it means sacrificing short term revenues.
- Our investment decisions will be based on a long-term market leadership vision rather than a short-term profitability one.
- We will continue to work hard to achieve a lean culture this year and we will remain focused on it. We understand the importance of continuously reinforcing a cost-conscious culture, particularly because our business incurred net losses in the last years.

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Local Court of Hamburg, HRB 136811  
Executive Board: Michael Milonas (CEO), Andreas Luecke  
Chairman of the Supervisory Board: Harald Patt





- We will continue to measure our marketing approach to different markets and the effectiveness of our investments in that respect, to cut those that do not provide acceptable returns and to step up our investment in those that work best. We will continue to learn from both our successes and our failures.
- We will make bold decisions where we see a sufficient probability of gaining market share. Some of these investments will pay off, others will not, and we will have learned another valuable lesson in each case.
- We will continue to focus on hiring and retaining passionate and talented employees and focus on switching part of their compensation to stock options rather than cash, something currently not in place. We believe our success will be largely affected by our ability to attract and retain a motivated employee base, each of whom must think like and therefore must be, an owner.

### ***Our Employees, our Soul***

The past year's success is the product of a talented, smart, hard-working group, and I take great pride in being a part of this team. Setting the bar high in our approach to hiring has been and will continue to be, the single most important element of NAGA's success.

It's not easy to work at NAGA, but we are working to build something important, something that matters to the world and its people, something that we can all tell stories about. Such things aren't meant to be easy and are quite often, the subject of criticism. We are incredibly fortunate to have this group of dedicated employees whose sacrifices and passion build NAGA.

These proud individuals are the embodiment of the six words that make up our culture:

- *Passion, Excellence, Sustainability, Leadership, Commitment, Humility.*

This is who we are, this is what we stand for.

### ***Our journey in 2023 and beyond***

We will continue to focus on strategic investments to meet the expanding market opportunity. Though we are optimistic, we must remain vigilant and maintain a sense of urgency. Competition is fierce, capable, and well-funded. The goal remains and is clear: Continue to solidify and extend our brand and customer base.

This will be achieved via the following 5 set strategic pillars:


1. Focused expansion in Emerging Markets, from Africa to the Middle East, to Southeast Asia and then across the Globe to Latin America
2. Maintain and reinforce our European business from a product and regulatory perspective as we have a strong brand in Europe and an excellent reputation.
3. Targeted Acquisitions to accelerate our global footprint and access localized knowledge and expert talent as well as bigger revenues, faster.
4. Expansion of our Licensing map so that we are allowed to offer our unique suite of products to as many customers possible in the minimum amount of time.



5. Continue to attract the best talent from all over the world to add to our Senior Executive Team and to our Board so they can advise and guide us in our journey into the future.

We feel good about what we created and about what we have done thus far but even more excited about what we are about to do. We have had 3 incredible years filled with achievements, learnings and often pain. We are grateful to our customers for their business and trust, to each other for our hard work, and to our shareholders for their support and encouragement.

As one may witness on the wallpaper in my own office, ***The Future is NAGA!***



Michael Milonas  
Chief Executive Officer