



CONSOLIDATED HALF-YEAR REPORT

as of June 30, 2021

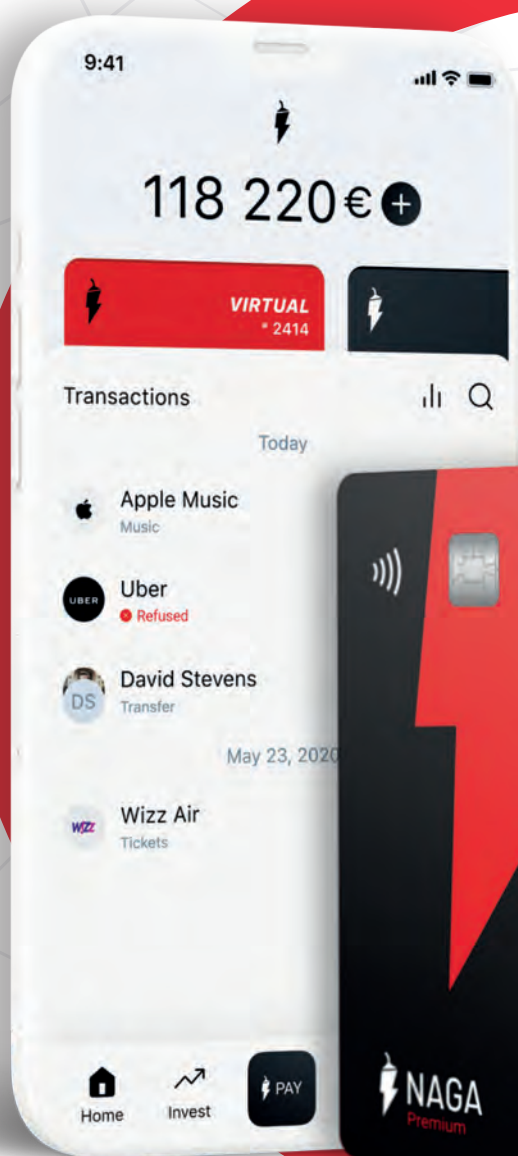




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*Dear Shareholders,
dear friends and supporters of NAGA,*

Revenue from trading in cryptocurrencies grew particularly strongly, increasing more than seven-fold year-on-year in the first nine months of 2021 and already accounting for 15 % of total revenue. Going forward, we clearly see the strongest proportional growth potential in this area as well. It is also worth highlighting that all of our key KPIs have shown a growth rate of at least 100% this year. With 218,000 new users so far in the first three quarters of 2021, we have now cracked the 1 million registered accounts mark. Our unique growth catalyst, NAGA Autocopy, which generates 55% of our revenues, is showing 400% yoy growth as of September 30, 2021.

In September 2021, we successfully closed the largest equity financing round in our company's history to date, securing EUR 22.7 million in growth capital. We have attracted renowned strategic and long-term investors in Christian Angermayer's Apeiron Investment Group in partnership with Peter Thiel's Founders Fund and Igor Lychagov, founder of Exness (one of the world's largest brokerage firms with a monthly trading volume of USD 1 trillion). The partnership with Apeiron and their Elevat3 strategy is a new milestone for us and we are also pleased to have Mr. Angermayer as a

In addition to direct marketing, branding and geographical expansion, the focus in the coming years will be on strategic partnerships in order to further strengthen our market position in the long term.

The NAGA Pay and Visa card enables multiple payment sources to be used at the point of sale using „Buffer“ technology. This instantly funds transactions in real time with the value of users' available assets on the Naga platform. For example,

customers can pay directly from a deposit account instead of using the balance on their card. With the crypto wallet, cryptocurrencies can be held, sent and received securely. In the future, it will therefore also be possible to choose cryptocurrencies such as Bitcoin or Ethereum as a means of payment using real-time exchanges.

As part of our growth strategy in the crypto business, we aim to license our cryptocurrency division in key target markets.

Group revenues expected to double to EUR 50 million to EUR 52 million in 2021 – substantial increase in Group EBITDA to EUR 13 million to EUR 15 million targeted

In view of the excellent business and company development in the third quarter of 2021, we are on track to meet our ambitious annual forecast published at the beginning of 2021. We will significantly increase our consolidated revenues to up to EUR 52 million – this represents more than a doubling compared to the previous year (2020: 24.4 million). We are also planning strong growth in Group EBITDA to up to EUR 15 million (2020: EUR 6.6 million).

Thank you for having placed your trust in us!

Not only is NAGA one of the fastest growing neo-brokers in the world, we are also proud to be the top rated neo-broker (according to certified ratings on trustpilot.com). Our unique combination of social media, investments, cryptocurrencies and payments on one platform convinces the most diverse customer groups while maintaining a high average trading activity.

The continuation of our success story in 2021 was also reflected in an increased price level of our share with strong trading volumes at the same time. We would like to thank you for the trust you have placed in us and look forward to continuing our growth path together with you.

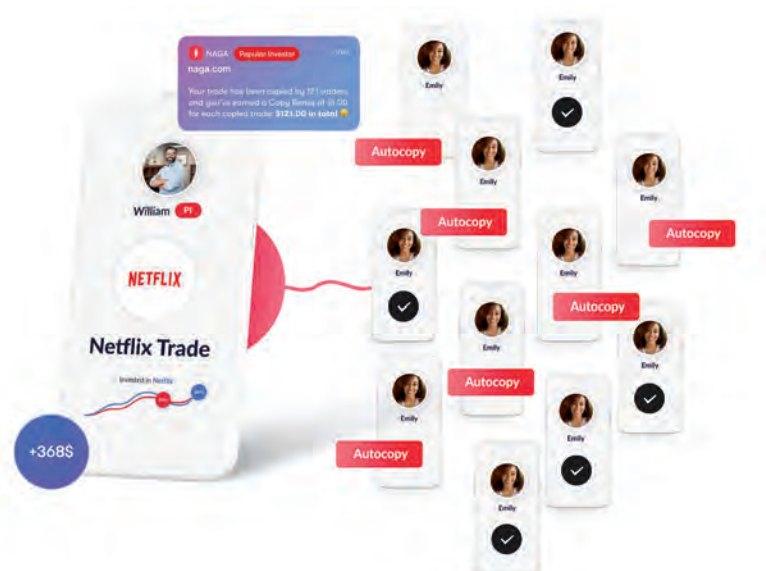
With kind regards

The Board of Directors


Benjamin Bilski


Andreas Luecke


Michalis Mylonas



Object of the Company

NAGA is a German fintech company based in Hamburg and listed on the „Scale“ stock exchange segment. The core business of the Group is online brokerage. In addition to traditional trading, NAGA also offers its own social trading platform „Naga Trader“. Through the investments in the subsidiaries, further business models arise at the level of the Group, which are based on the development of innovative financial technology („Fintech“) and blockchain technology.

The overriding sector of business activity is the financial sector. NAGA is in direct B2C contact. Brokerage is handled by the subsidiary NAGA Markets Ltd., Cyprus, which provides trading platforms for CFDs, Forex, commodities, ETFs and stock indices as a pure online broker.

The Group also focuses on the development of innovative financial technology for easy access to financial markets and the trading of cryptocurrencies.






Half-Year Consolidated Financial Statements

as of June 30, 2021

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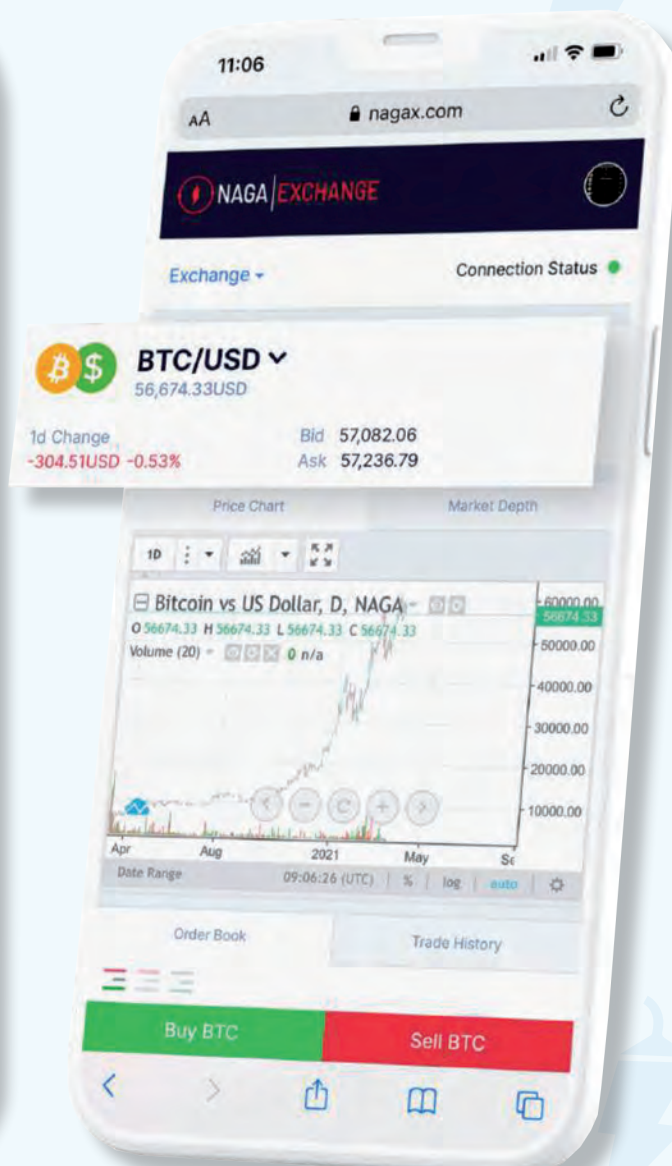
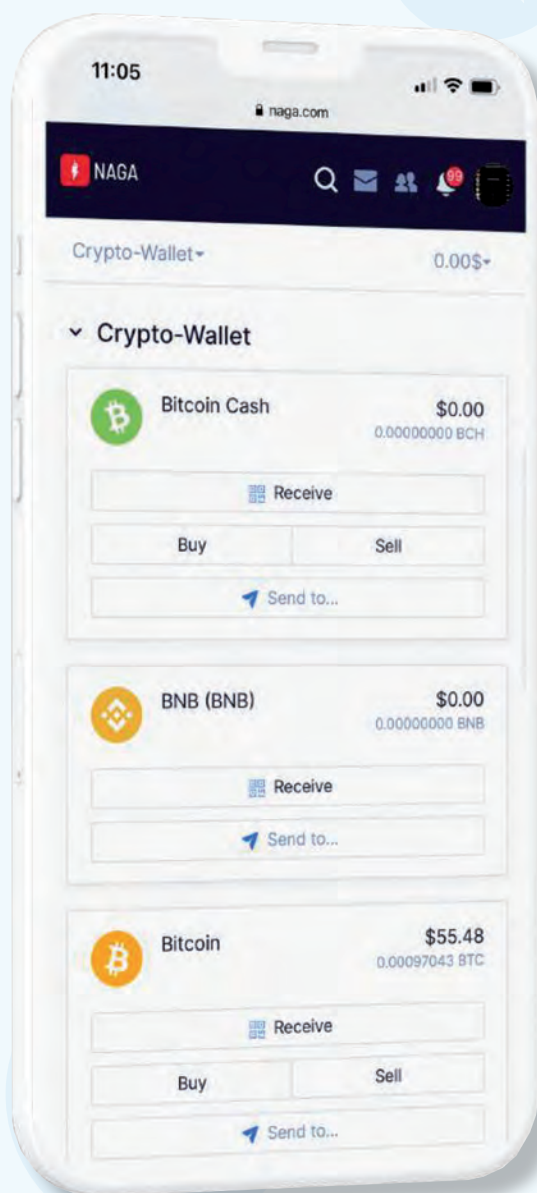
as of June 30, 2021

	30.06.2021 kEUR	31.12.2020 kEUR
ASSETS		
Non-current assets		
Intangible assets	116,226	112,268
Property, plant and equipment	576	509
Rights of use	95	41
Financial assets and other assets	154	146
Deferred tax assets	530	533
Total non-current assets	117,580	113,497
Current assets		
Contract assets	0	399
Trade receivables	1,535	1,536
Other current assets	3,047	2,094
Tax receivables	59	59
Receivables from derivatives	11,167	7,017
Cash and cash equivalents	5,683	5,233
Total current assets	21,490	16,338
Total assets	139,070	129,834

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from January 1 to June 30, 2020

	01.01. - 30.06.2021 kEUR	01.01. - 30.06.2020 kEUR
Trading revenues	23,219	12,863
Service revenues	0	59
Sales revenue	23,219	12,923
Capitalized programming services	1,243	410
Total output	24,461	13,333
Direct expenses of trading revenues	1,968	1,488
Trading expenses	962	1,250
Gross income	21,531	10,595
Other operating income	20	462
Development expenses	1,526	548
Personnel expenses	3,371	1,678
Marketing and advertising expenses	10,745	2,881
Other operating expenses	2,947	2,081
Earnings before interest, taxes, depreciation and amortization (EBITDA)	2,962	3,870
Depreciation	2,680	1,414
Operating result (EBIT)	281	2,456
Financial income	1	-11
Financial expenses	458	252
Earnings before taxes (EBT)	-176	2,192
Income taxes (expense (+) / income (-))	345	-227
Result for the period	-522	2,419
Equity difference from currency conversion	-12	0
Overall result	-534	2,419
Of the net profit for the period, the following are attributable to		
Shareholders of the parent company	-520	2,659
Profit attributable to non-controlling interests	-1	-240
Of the total comprehensive income the following are attributable to		
Shareholders of the parent company	-532	2,659
Profit attributable to non-controlling interests	-1	-240 Earnings per
Earnings per share in EUR		
Undiluted	0.03	-0.31
Diluted	0.03	-0.31



The image shows a woman with curly hair smiling at her smartphone. The phone screen displays a 'Trade Stocks' app with a list of companies and their stock prices and changes:

Company Logo	Company Name	Price	Change	Status
Spotify	Spotify	274.82	-1.4%	Not stock
amazon	Amazon Com	3062.9	+2.0%	Not stock
ebay	Ebay	56.13	-1.6%	Not stock
NETFLIX	Netflix	506.62	+3.2%	Not stock
Apple	Apple	121.11	-1.3%	Not stock
TESLA	Tesla Motors	705.43	+2.9%	Not stock
McDonald's	McDonald's	217.25	+2.9%	Not stock

A semi-transparent overlay on the right side of the image displays 'TOP BITCOIN TRADERS' with four profiles:

- John Krasinskii
- Brahm Oreijo
- Paul Lauter
- Ben Petrentich

Below the traders, a notification from NAGA PRO states: 'Your trade has been copied and you've earned a Copy Bonus - €0.50'.


from January 1 to June 30, 2021

	01.01.-30.06.2021 kEUR	01.01.-30.06.2020 kEUR
Cash flow from operating activities		
Earnings before income taxes	-176	2,192
Depreciation, amortization and impairment of non-current assets	2,680	1,414
Financial income and financial expenses	458	241
Taxes	0	-227
Income from disposals	0	-58
Other non-cash income and expenses	0	146
	2,962	3,708
Cash flow before changes in net working capital		
Decrease in provisions	-346	-122
Increase (-) / decrease (+) in trade accounts receivable	0	-348
Increase (-) / decrease (+) in other assets	-4,703	-2,157
Increase (+) / decrease (-) in trade accounts payable and other liabilities and other liabilities	2,411	-1,312
Operating cash flow	325	-232
Cash flow from investing activities		
Proceeds from the disposal of subsidiaries net of cash disposed of	0	62
Proceeds from disposals of financial assets	2	33
Cash outflows for investments in intangible assets	-6,513	-505
Cash outflows for investments in financial assets	-10	0
Cash outflows for investments in property, plant and equipment	-132	-162
Investing cash flow	-6,653	-573
Cash flow from financing activities		
Repayment of financial liabilities	-120	0
Cash inflows from borrowings/convertible bonds	7,145	2,000
interest paid	-248	-138
Financing cash flow	6,778	1,862
Net increase in cash and cash equivalents	449	1,057
Cash and cash equivalents at the beginning of the period	5,233	3,152
Cash and cash equivalents at the end of the period	5,683	4,209



Condensed Notes to the Consolidated Financial Statements

as of June 30, 2021



Company	Main business activity	Shareholding	
		30.06. 2021	31.12. 2020
Naga Pay UK Ltd., London, United Kingdom	mobile bank	100 %	-
Naga Markets Australia Pty Ltd., Eastwood, Australien	Securities trading	100 %	-

4. ESTIMATES AND ASSUMPTIONS AS WELL AS ACCOUNTING AND VALUATION METHODS

The Management Board uses assumptions and estimates in the preparation of interim consolidated financial statements in accordance with IFRS. These assumptions and estimates are made to the best of our knowledge in order to provide a true and fair view of the Group's net assets, financial position and results of operations. Actual results and developments may differ from these estimates and assumptions.

The accounting policies applied in these interim consolidated financial statements are largely the same as those applied in the last annual consolidated financial statements. A detailed description of the accounting policies is provided in the notes to the consolidated financial statements.

As in the 2020 consolidated financial statements, the statement of comprehensive income has been adjusted to show „Trading costs“ separately. In addition, a new interim result „Gross profit“ was added. Both adjustments – with no effect on the result for the period – were made retrospectively for the first half of 2020. As a result of the adjustment, revenues increased by kEUR 1,250 in the first half of 2020.

a) Impairments

Property, plant and equipment and intangible assets are reviewed at each reporting date to determine whether there are any indications of impairment.

Intangible assets with indefinite useful lives or intangible assets not yet in use are tested for impairment at least annually and additionally if

there are indications of impairment („triggering event“). However, there were no such indications in the first half of 2021.

b) Income taxes

Significant assumptions and estimates are necessary to determine the income tax liabilities, as the final income tax charge is uncertain for a number of transactions and calculations. Where the final tax charge differs from the recorded liability, these differences affect current and deferred income taxes. The Group uses external service providers to determine its income tax burden.

c) Relationships with related parties

In the first half of 2021, the Group did not enter into any business relationships with related parties of a type and scope that exceeded those existing as at 31 December 2020 (see section 12. of the notes to the consolidated financial statements as at 31 December 2020).

d) Other estimation uncertainties

In addition, significant assumptions and estimates relate to the uniform determination of useful lives throughout the Group and to the determination of recoverable amounts for impairment testing. New information is taken into account as soon as it becomes available. At the time of preparing the interim consolidated financial statements, it is not assumed that there have been any material changes to the assumptions and estimates.

e) Financial instruments

Financial assets and liabilities are recognized if the Group has a contractual right to receive cash or other financial assets from another party or a contractual obligation to transfer financial assets to another party. Financial assets and financial liabilities are recognized from the date on which the Group becomes a party to the contractual provisions of the financial instrument. Financial assets that are acquired or sold on an arm's length basis are generally recognized on the trade date.

With regard to financial instruments and financial risk management, there are no differences compared to the previous consolidated financial statements, which were explained there under item 9.

h) Leasing

The Group makes use of the exemption that leasing agreements for assets with a low value and a term of up to one year are not reported in the balance sheet. Such leases exist in particular for office premises in Hamburg and office and business equipment.

In addition, Naga Markets has entered into a lease agreement for the office premises with a term of one year. In accordance with IFRS 16, a right of use is capitalised and amortised on a straight-line basis.

6. EVENTS AFTER THE BALANCE SHEET DATE

Cancellation of convertible bonds 2021/2022

After the creditors of the convertible bond 2021/2022 had exercised their conversion rights for bonds with a total nominal value of EUR 7,995,000, the Management Board, with the approval of the Supervisory Board, called in the remaining convertible bonds with a nominal value of EUR 5,000 prematurely on 5 October 2021 – in accordance with the bond conditions – as of 22 October 2021.

Capital increase from authorized capital

On September 16, 2021, the Management Board resolved, with the approval of the Supervisory Board, to increase the Company's share capital by EUR 4,204,990.00 by issuing a corresponding number of new shares against cash contributions at a subscription price of EUR 5.40 per share, excluding the shareholders' statutory subscription rights pursuant to sections 203 (1) and 186 (3) sentence 4 of the AktG.



Interim Management Report

as of June 30, 2021



as of 30 June 2021

Personnel expenses

As a result of the increase in the number of employees, personnel expenses rose sharply from kEUR 1,678 to kEUR 3,371.

Other operating expenses

Other operating expenses of kEUR 2,947 (previous year kEUR 2,081) are composed as follows:

in kEUR	01.01.-30.06. 2021	01.01.-30.06. 2020
Legal and consulting fees	1,644	1,230
Rental and license expenses	460	115
Web services	324	182
Third-party services	1	25
Travel expenses	52	55
Other	465	474
Total	2,947	2,081

The increase in legal and consultancy costs compared with the same period of the previous year is mainly due to the capital measures prepared and implemented in the reporting period. The rental expenses relate to leases expiring in the short term, which do not have to be recognised in the balance sheet in accordance with IFRS 16.

Depreciation

Depreciation and amortisation of kEUR 2,680 (prior year: kEUR 1,414) mainly relate to capitalised customer acquisition costs of kEUR 1,148, Swipy Technology of kEUR 635, Naga Trader of kEUR 441 and the acquired customer base of HBS of kEUR 262. Furthermore, amortization of the rights of use according to IFRS 16 in the amount of kEUR 61 (prior year: kEUR 70) was incurred.

EBITDA development

Despite the expected growth in revenues, EBITDA decreased compared to the same period of the previous year. This is due in particular to the increase in marketing and advertising expenses, which form the basis for the Group's further growth. In addition, personnel expenses were higher as a result of further recruitment. Furthermore, it must be taken into account that the result of the previous year's period was influenced by positive special effects of the COVID-19 pandemic which started in this period.

Result for the period

The negative result for the period amounts to kEUR -522 (previous year: kEUR 2,419). There were no unscheduled depreciations or value adjustments.

b) Financial position of the Group

In the first half of 2021, the subscribed capital and the capital reserve increased by a total of kEUR 994 as a result of conversions of the 2021/2022 convertible bond.

The capital structure of the Group is as follows:

in %	30.06. 2021	31.12. 2020	Change
Equity ratio	80.7	86.1	-5.4
Debt ratio	19.3	13.9	5.4
Leverage ratio	23.9	16.1	7.8

The Group's cash flows developed as follows in the first half of 2021:

in kEUR	30.06.2021	30.06.2020
Cash flow from operating activities	325	-232
Cash flow from investing activities	-6,653	-573
Cash flow from financing activities	6,778	1,862
Cash and cash equivalents at the beginning of the period	5,233	3,152
Cash and cash equivalents at the end of the period	5,683	4,209

Cash and cash equivalents increased by kEUR 449 to kEUR 5,683 in the first half of 2021

c) Net assets of the Group

NAGA's net assets developed as follows in the first half of 2021:

The increase in non-current assets is due to the high part of capitalisable expenses for customer acquisition.

The increase in current assets is mainly due to higher receivables from derivatives and higher cash and cash equivalents compared to the same period of the previous year.

Current assets of kEUR 21,490 (previous year: kEUR 16,338) include trade receivables of kEUR 1,535 (previous year: kEUR 1,536), cash and cash equivalents of kEUR 5,683 (previous year: kEUR 5,233). In addition, there are receivables from derivatives in the amount of kEUR 11,167 (prior year: kEUR 7,017).

As of June 30, 2021, current liabilities mainly include liabilities to shareholders in the amount of kEUR 5,068 (PY: kEUR 3,080), the corporate convertible bond 2021/2022 in the amount of kEUR 6,305 (PY: kEUR 0), trade payables in the amount of kEUR 2,007 (PY: kEUR 1,044) and provisions in the amount of kEUR 514 (PY: kEUR 860).

visions in the amount of kEUR 514 (PY: kEUR 860).

FORECAST, OPPORTUNITY AND RISK REPORT

a) Forecast report

For the 2021 financial year, NAGA is adhering to the forecast issued in January 2021, according to which the Executive Board expects revenues of between EUR 50 million and EUR 52 million and EBITDA in the range of EUR 13.0 - 15.0 million.

b) Opportunity and risk report

With regard to opportunities and risks, there have been no changes compared to the presentation in the previous Annual Report 2020.

CORPORATE BODIES OF THE COMPANY

Management board members

The Executive Board consisted of or includes

- Mr. Benjamin Bilski, Cyprus, Business Economist (M. Sc.)
- Mr. Andreas Luecke, Hamburg, Lawyer/
Tax Consultant
- Mr. Michalis Mylonas, Cyprus

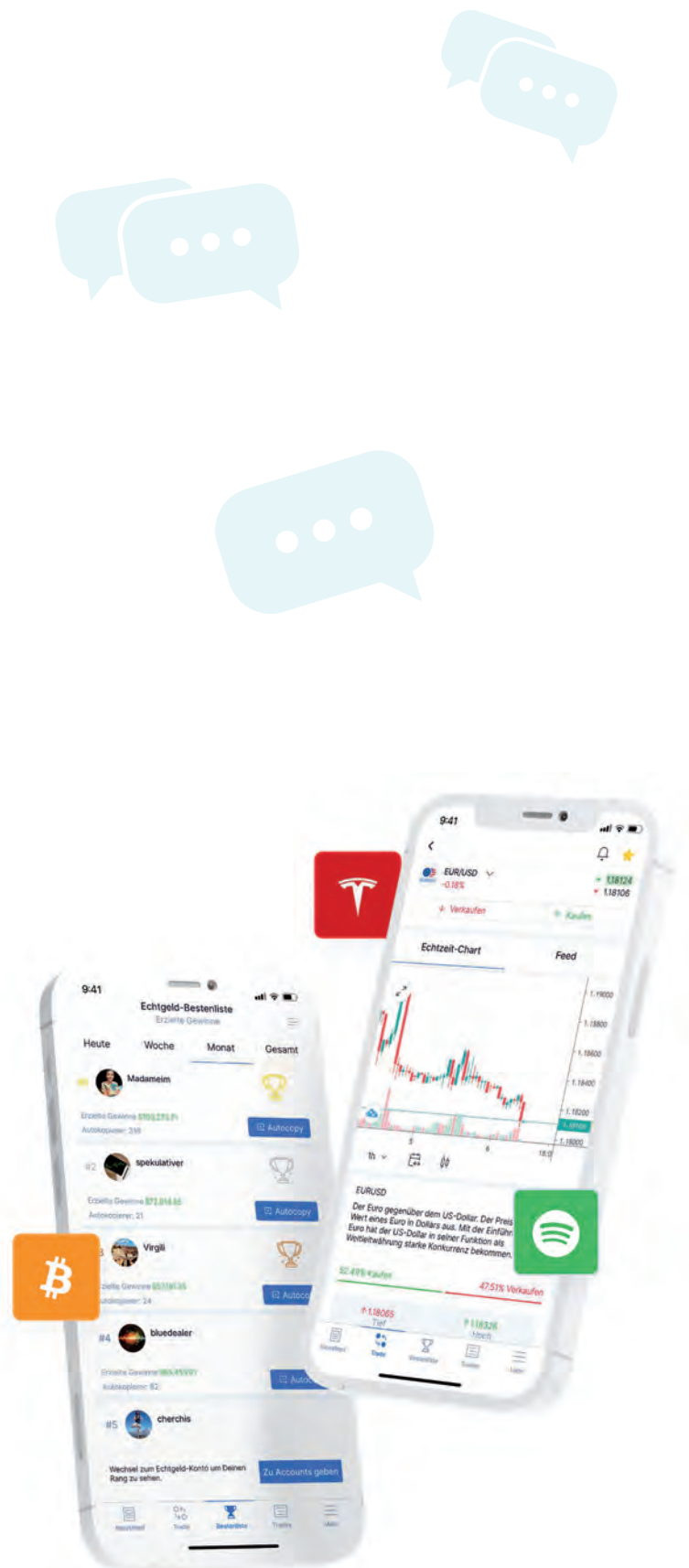
Supervisory board members

The following persons were or are appointed as members of the Supervisory Board:

- Mr. Harald Patt, Friedrichsdorf, Managing Director, (Chairman)
- Mr. Hans-Jochen Lorenzen, Hamburg, Certified Public Accountant/Tax Consultant
- Mr. Robert Sprogies, Vaterstetten, Managing Director (Deputy Chairman)
- Mr. Qiang Liu, Shanghai (China), Managing Director

Hamburg, 27 October 2021

The NAGA Group AG
– Board of Directors –



Imprint

The NAGA Group AG
Hohe Bleichen 12
20354 Hamburg
Deutschland

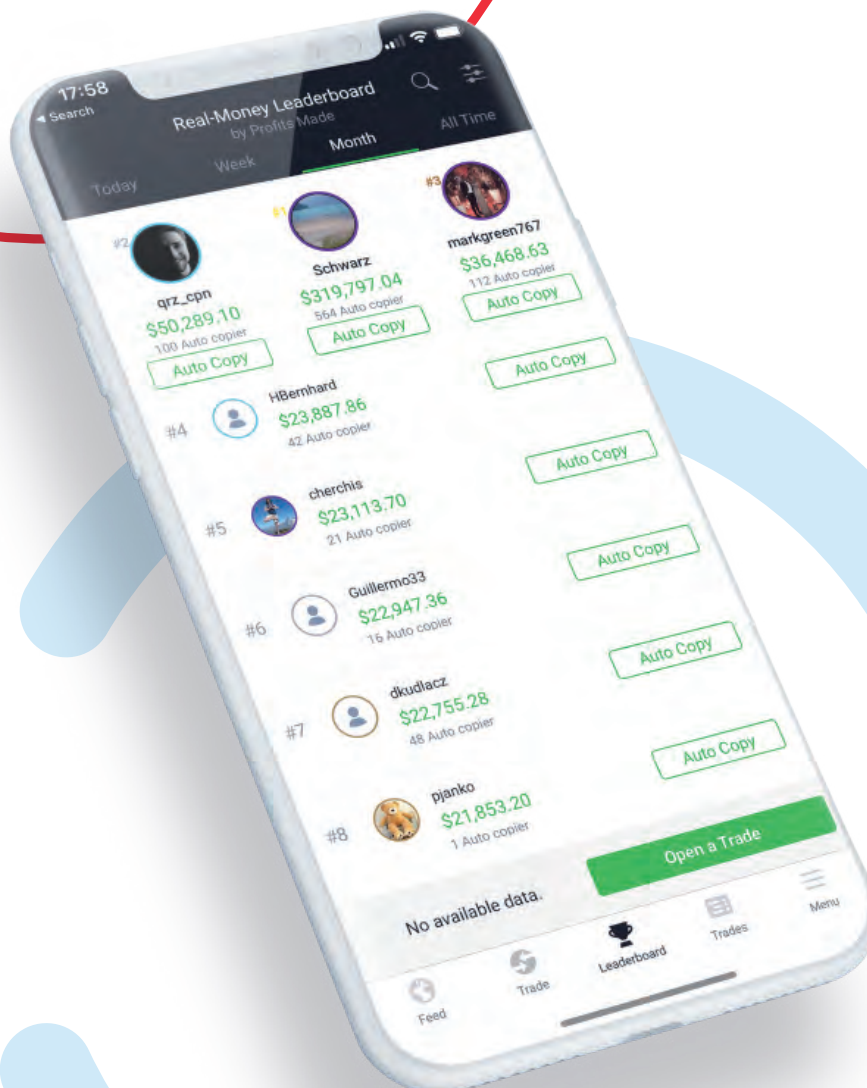
Phone: +49 40 524 7791 53
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Financial calendar

June 2022: Publication of the 2021 consolidated financial statements

Layout

www.betriebsart.de



NAGA on the Web

NAGA Homepage:
Investor Relations:

<https://group.naga.com/de/>

<https://group.naga.com/de/investor-relations/investment-thesis>

Social Media

NAGA Facebook:
NAGA Twitter:
NAGA YouTube:
NAGA Instagram:
NAGA LinkedIn:

<https://www.facebook.com/nagagroup/NAGA>

<https://twitter.com/thenagagroup?lang=deNAGA>

<https://www.youtube.com/channel/UCRa1cmTcHBliXn5ShLDJewNAGA>

<https://www.instagram.com/thenagagroup/?hl=deNAGA>

<https://www.linkedin.com/company/the-naga-group-ag/>

