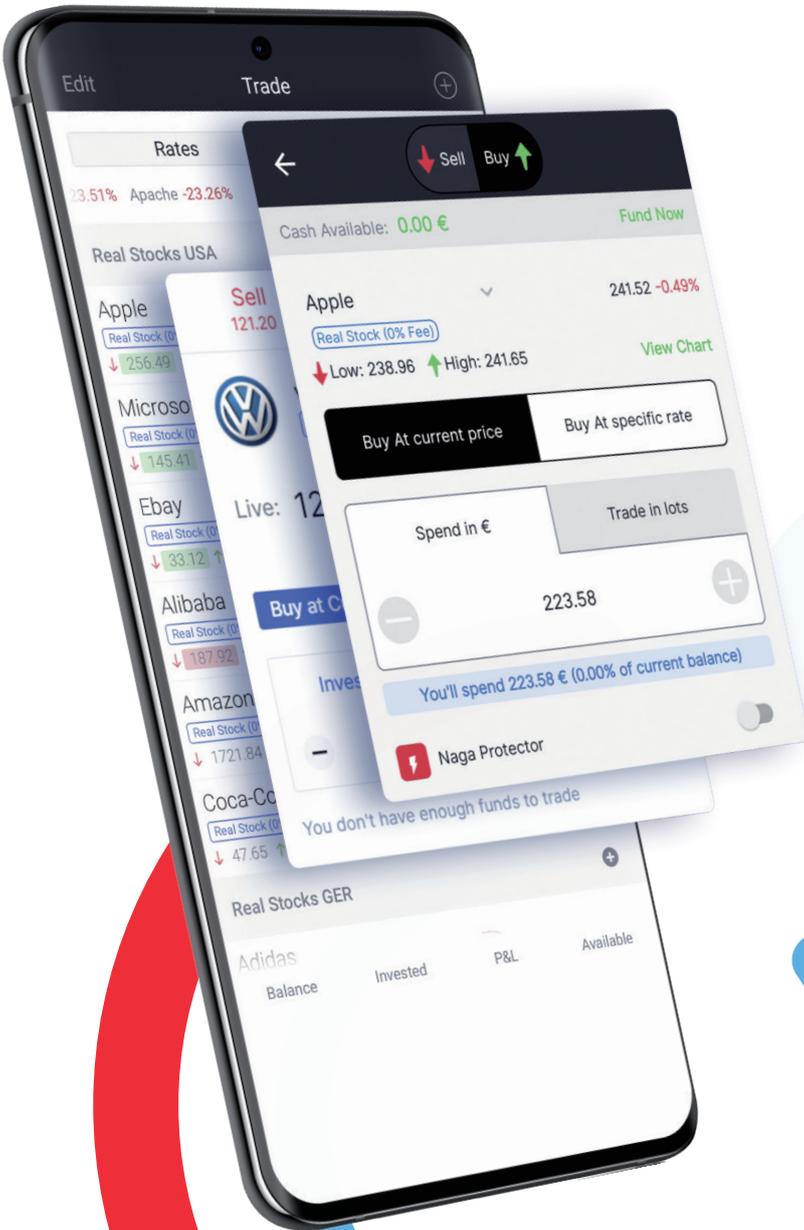




# CONSOLIDATED HALF-YEAR REPORT

as of June 30, 2020

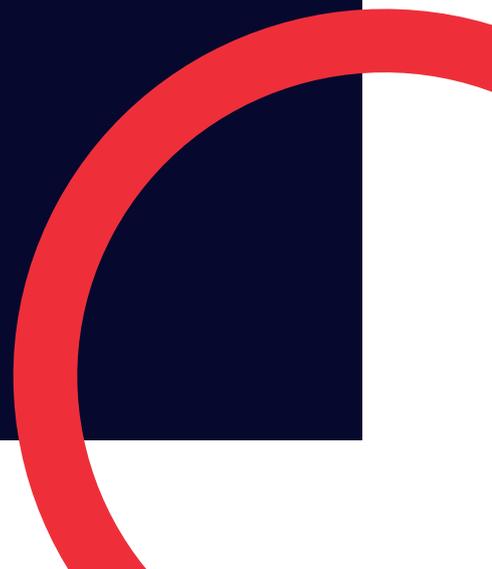






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# Consolidated Financial Statements

as of June 30, 2020

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# Condensed Notes to the Consolidated Financial Statements

as of June 30, 2020





Company	Main business activity	Shareholdings	
		30.06. 2020	31.12. 2019
NAGA GLOBAL (CY) LTD., Limassol, Cyprus	Internal services	100%	100%
NAGA CAPITAL (NG) LTD., Lagos, Nigeria	Distribution company	99%	99%
NAGA FINTECH CO., LTD., Bangkok, Thailand	Distribution company	100%	100%
Naga Pay GmbH, Hamburg	mobile bank	100%	-

Naga Pay GmbH is currently developing an application for mobile banking and investing. The application is expected to be completed in the second half of 2020. The company has not started any business activities beyond that.

#### 4. ESTIMATES AND ASSUMPTIONS AS WELL AS ACCOUNTING POLICIES

The Executive Board uses assumptions and estimates in preparing 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 net assets, financial position and results of operations of the Group. Actual results and developments may differ from these estimates and assumptions.

The accounting policies applied in these interim consolidated financial statements largely correspond to those applied in the last consolidated financial statements. A detailed description of the accounting policies is included in the notes to the consolidated financial statements.

##### a) Impairments

At each balance sheet date, property, plant and equipment and intangible assets are reviewed for indications of impairment by comparing the recoverable amount and carrying amount.

Intangible assets with indefinite useful lives or intangible assets not yet in use are tested for impairment at least once a year and additionally if there are indications of impairment („triggering event“). However, no such indications existed in the first half of 2020.

##### b) Income taxes

Significant assumptions and estimates are required to determine 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 liabilities recognized, such differences will affect current and deferred income taxes. The Group uses external service providers to determine its income tax charge.

##### c) Related party transactions

With the exception of the convertible bond issued to the shareholder Fosun Fintech Holdings (HK) Ltd. in January (see „g) Equity/Dividends“ below), the Group did not enter into any business relations with related parties in the first half of 2020 that exceed the existing business relations as of December 31, 2019 (see section 12. of the notes to the consolidated financial statements as of December 31, 2019).

##### 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 the purpose of 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 when the Group has a contractual right to receive cash or another 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 which are acquired or sold at normal market conditions are generally recognized on the trading date.

With regard to financial instruments and financial risk management, there are no differences compared to the previous annual financial statements, which were explained there under Note 8.



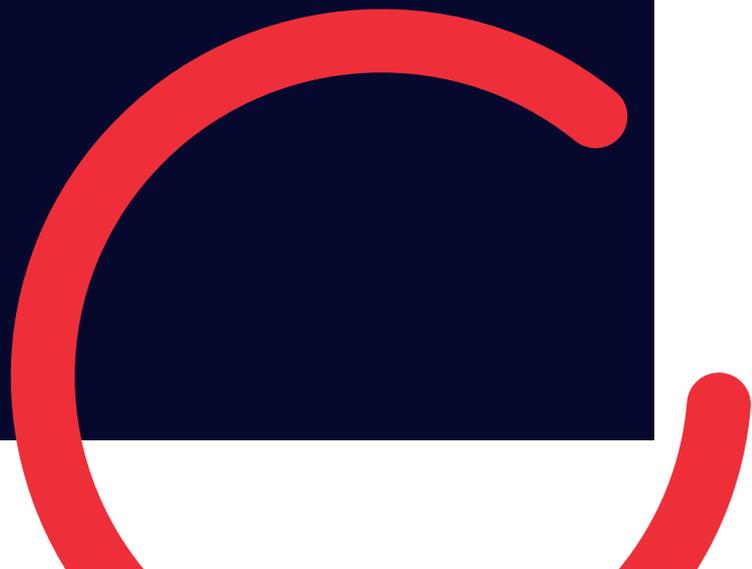






# Interim Management Report

as of June 30, 2020





**Other operating expenses**

Other operating expenses in the amount of EUR 2,081 thousand (prior year: EUR 1,986 thousand) are composed as follows:

in '000 EUR	01.01.-30.06.2020	01.01.-30.06.2019
Legal and consulting fees	1,230	767
Rent expenses	40	260
web services	182	269
External services	25	180
Travel expenses	55	128
Miscellaneous	549	382
<b>Total</b>	<b>2,081</b>	<b>1,986</b>

The rental expenses relate to short-term leases expiring in the current financial year which do not have to be reported separately in accordance with IFRS 16.

**Depreciation**

Depreciation and amortization of EUR 1,414 thousand (previous year: EUR 2,190 thousand) mainly relate to Swipy technology (EUR 634 thousand), the Naga Trader (EUR 330 thousand) and the acquired customer base of HBS (EUR 262 thousand). In addition, amortization of rights of use in accordance with IFRS 16 in the amount of '000 EUR 70 (previous year '000 EUR 21) was incurred.

**EBITDA development**

EBITDA has improved considerably compared to the same period of the previous year. The reason for this is the sharp increase in trade and service revenues. In addition, restructuring expenses were significantly reduced.

**Net income for the period**

The positive net income for the period amounts to '000EUR 2,419 (prior year: '000EUR -6,692). There were no non-scheduled depreciations or value adjustments.

**Financial position of the Group**

No capital increase was carried out in the first half of the year.

The Group's capital structure is as follows:

in %	30.06.2020	31.12.2019	Change
Equity ratio	88.6	88.5	0.1
Debt ratio	11.4	11.5	-0.1
Gearing	12.9	13.0	-0.1

The Group's cash flows developed as follows in the first half of 2020:

in '000 EUR	30.06.2020	30.06.2019
Cash flow from operating activities	-232	-1,718
Cash flow from current investment activities	-573	-514
Cash flow from current financing activities	1,862	-117
Cash and cash equivalents at the beginning of the period	3,152	3,694
<b>Cash and cash equivalents at the end of the period</b>	<b>4,210</b>	<b>1,347</b>

Cash and cash equivalents increased by EUR 1,058 thousand to EUR 4,210 thousand in the first half year.

The liquidity from cash and cash equivalents at the reporting date developed as follows:

in '000 EUR	30.06.2020	31.12.2019	Change
Means of payment	4,209	3,152	1,057
less current liabilities	7,824	9,422	-1,598
Subtotal	-3,615	-6,270	2,655
plus current assets	8,165	6,104	2,061
<b>Over-coverage / under-coverage</b>	<b>4,550</b>	<b>-166</b>	<b>4,716</b>





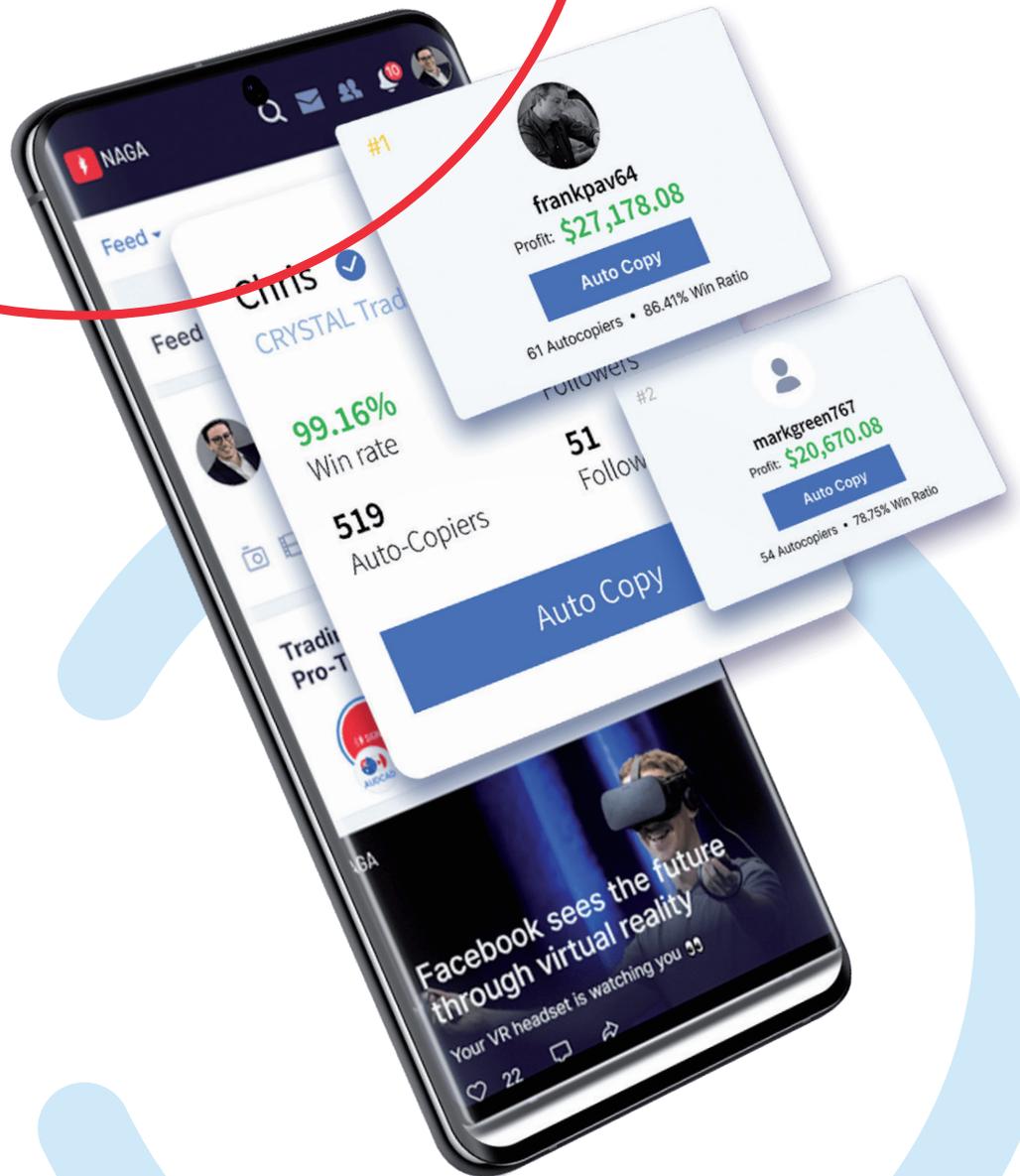
### Imprint

The NAGA Group AG  
Hohe Bleichen 12  
20354 Hamburg  
Deutschland

Phone: +49 40 524 7791 53  
e-mail: ir@naga.com

### Layout

www.betriebsart.de

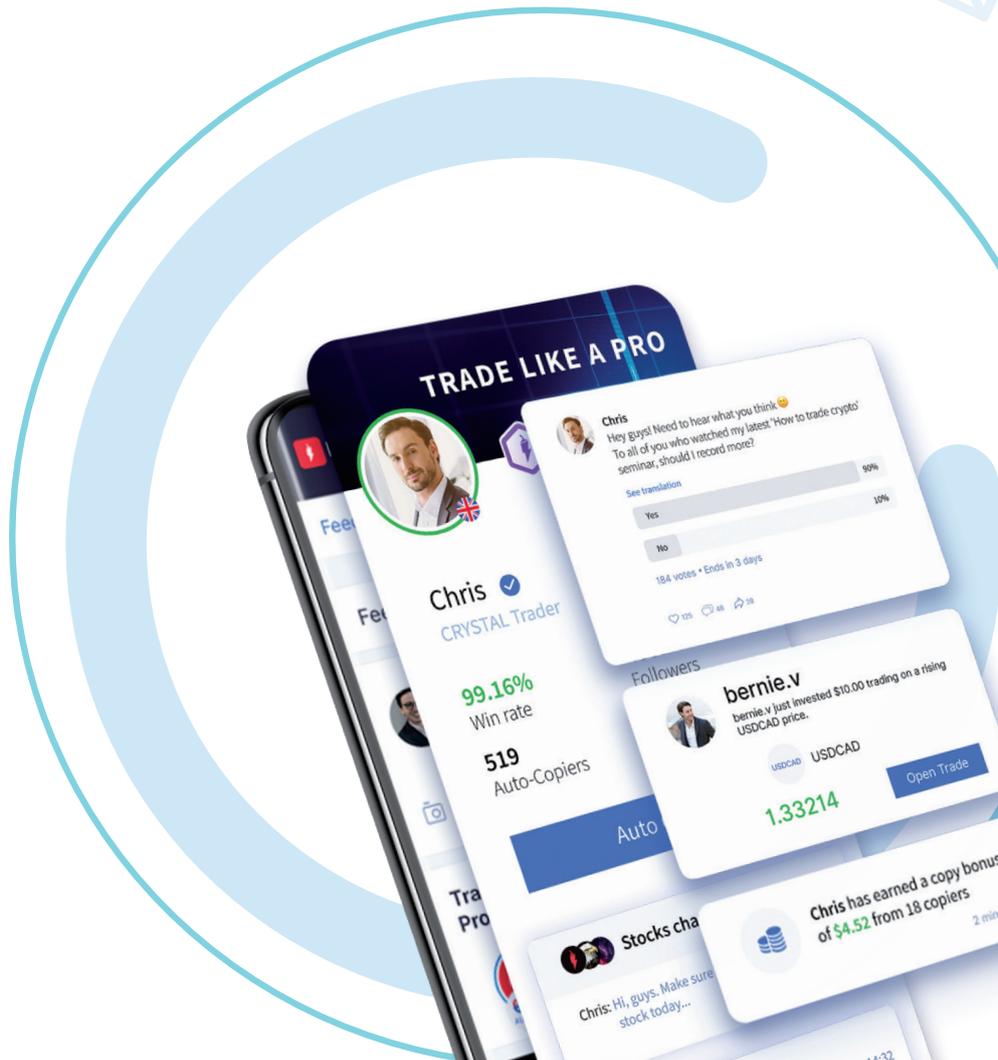
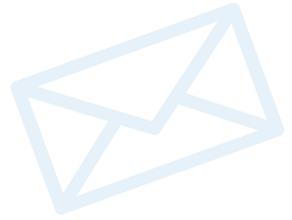


### NAGA on the Web

NAGA Homepage: <https://naga.com/group>  
Investor Relations: <https://naga.com/group/investor-relations>

### Social Media

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