NAGA

ANNUAL REPORT 2024

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Letter to the Shareholders

Dear Shareholders,
dear friends and supporters of NAGA,

The 2024 financial year marked a pivotal milestone in the history of The NAGA Group AG. With precision and determination, we successfully completed the merger with Keyway Group (CAPEX) – undoubtedly the most significant corporate action undertaken by the Company to date.

This transformative transaction required careful navigation of multiple regulatory approvals across key jurisdictions, particularly in Cyprus and Abu Dhabi. Despite the complexity, we ensured seamless operational and technological integration, including the successful migration of clients to NAGA's proprietary platform.

From a financial perspective, on both a pre-merger and pro forma basis, Group revenue declined due to the strategic discontinuation of non-profitable business segments and a deliberate focus on integration and synergy realisation over topline growth. Nevertheless, this was accompanied by a healthy EBITDA margin, reflecting significant operational efficiency gains. Revenue for the Group in 2024 stood at EUR 63.2 million (prior year pro forma: EUR 73.9 million), while EBITDA grew to EUR 9.0 million (prior year pro forma: EUR 8.5 million).

The Management Board would like to extend its sincere appreciation to all NAGA team members. Your dedication, adaptability, and resilience throughout this demanding year – marked by intense effort and critical decision-making – have been instrumental to our success.

The audited consolidated financial statements for 2024 fully reflect the impacts of the merger with Keyway Group and reaffirm our strategy of building a sustainable, integrated Group going forward.

Looking Ahead

With the merger successfully executed, NAGA now stands stronger than ever – positioned at the strategic intersection of derivatives trading, equities & ETFs, payments, and crypto. To date, no other company has built such a comprehensive, licensed, and multi-jurisdictional offering across these verticals.

Our product roadmap is both ambitious and visionary. We are preparing for the launch of **NAGA Trader 2.0**, featuring Social Trading 2.0, AI-powered trading agents, and advanced tools for our community. Shortly thereafter, we will unveil **NAGA ONE** – the world's first Super-App for Everything Money – which will consolidate trading, payments, and crypto into one seamless, secure, and user-centric platform.

We will continue investing in our brand, building on high-impact partnerships such as those with Borussia Dortmund and global ambassador Mike Tyson. You can explore these initiatives at: https://group.naga.com/sponsorship.

In parallel, we are preparing to raise debt capital to accelerate our growth trajectory and support strategic acquisitions. These efforts are aimed at increasing market share, unlocking operational synergies, and enhancing monetisation of acquired assets under management (AUM).

In late 2024, we signed an agreement to acquire a UK-licensed brokerage – enabling our entry into one of the world's largest and most mature markets for equities, derivatives, and spread betting. At the time of writing, the transaction is pending approval from the Financial Conduct Authority (FCA) and is expected to complete shortly.

We encourage all shareholders to visit our newly launched Investor Relations website at https://group.naga.com for regular updates and developments.

Thank You for Your Continued Support

To our esteemed shareholders: on behalf of the entire Management Board, your trust empowered us to execute the most ambitious year in NAGA's history. Your support has enabled us to take bold steps and set the foundation for long-term value creation.

We remain fully committed to executing our vision, supported by the unwavering dedication of our employees, to whom we also extend our deepest appreciation.

We warmly invite you to join us in shaping the next chapter of NAGA.

With sincere thanks,

The Management Board
The NAGA Group AG

C.-O. Patrascu M. Mylonas A. Luecke

11:16
Apple
0.53%
224.01
223.68
Short
Long
This symbol is a CFD
Chart
Feed
Market Closed
223.68
223.50
223.00
222.50
222.00
221.50
19:30
23
American multinational technology that
ps, and sells consumer electronics,
ware, and online services. Apple is the
st information technology company by
revenue, and the world's second-largest mobile phone
manufacturer after Samsung. The stock is traded on the
NASDAQ and is a constituent of the NASDAQ-100 index.
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Most Traded
Forex
Real Stocks GER
Commerzbank AG
-0.48%
Real Stock
18.0240
18.0140
Delivery Hero
-0.35%
Real Stock
25.5800
25.5300
Cash Commodities
Brent Oil Cash
+0.64%
CFD
78.043
78.006
Crude Oil Cash
+0.65%
CFD
74.812
74.770
XAG/USD (Silver)
-0.27%
CFD
30.118
30.081
XAU/USD (Gold)
+0.06%
CFD
2743.78
2743.31
Cash Indices
Euro Stoxx
-0.20%
5200.8
5197.3
Margin level
P&L
8,90 $
Balance
18,66 $
Trade
Leaderboard
Orders

Report of the Supervisory Board

The 2024 financial year was the focus of The NAGA Group AG's merger with Key Way Group Ltd., operator of the multi-asset trading FinTech platform Capex.com. After the Supervisory Board approved the closing of a detailed letter of intent (term sheet) in December 2023, the Extraordinary General Meeting on April 12, 2024 approved the business combination via a non-cash capital increase in the amount of EUR 170,597,590.00 against the contribution of all shares in Key Way Group Ltd. The increase in the share capital to EUR 224,645,514.00 was entered in the commercial register on 21 August 2024 following the necessary regulatory approvals. For further strategic statements and the outlook for the current financial year, the Supervisory Board refers to the information provided by the Management Board in the letter to the shareholders and in the Group management report.

In addition, the Supervisory Board focused on financing issues and approved the closing of a credit line with the main shareholder Netcore Investments Ltd. in the year under review (as shown below). Another key topic was the lifting of synergies in the context of the company merger with Key Way Group Ltd.. With a consolidated EBITDA of EUR 9,014 thousand (previous year: EUR 8,523 thousand on a pro forma consolidated basis), a level of earnings was achieved that was roughly at the previous year's level and thus slightly below expectations.

In the 2024 financial year, the Supervisory Board continued to perform its duties and obligations in accordance with the law, the Articles of Association and the Rules of Procedure with great care. The Supervisory Board continuously monitored the Management Board in its management and advised it on the management and strategic development of the company as well as on key decisions. At and outside of the joint meetings, the Executive Board has always complied with its duties to provide information and, in addition to the above-mentioned key topics, has informed the Supervisory Board orally and in writing about all material aspects of the business development and planning of the Group as a whole, including the financial and liquidity development and progress in NAGA's global expansion, market developments, the risk situation and risk management, the strategy and the most important business events. On this basis, the Supervisory Board was always promptly informed of important news and was able to discuss them. The Supervisory Board has passed resolutions required by law, the Articles of Association and/or the Rules of Procedure on the basis of the resolutions proposed by the Management Board (see below under Meetings and Resolutions of the Supervisory Board).

Meetings and resolutions of the Supervisory Board

In the 2024 financial year, the Supervisory Board held 9 Supervisory Board meetings on 26 and 30 January, 2 February, 2 April, 11 May, 24 June, 26 September and 12 and 19 November. The Supervisory Board had a quorum at all meetings and all members of the Board of Management attended the meetings. In addition, a representative of the auditor MSW GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Berlin, was present as a guest on 24 June 2024 .

In addition to the above-mentioned topics, the Supervisory Board dealt with the following issues at its joint meetings with the Executive Board and passed the following resolutions in written proceedings:

- The first meeting of the reporting year took place on 26 January 2024. The Supervisory Board appointed Mr. Octavian Patrascu as a member of the Management Board for a term of 3 years, ending on January 25, 2027, and at the same time as Chairman of the Management Board. In addition, the Supervisory Board appointed Mr. Michalis Mylonas as Deputy Chairman of the Management Board.
- On January 30, 2024, the Supervisory Board approved the termination of the employment contract with former Executive Board member Benjamin Bilski with effect from January 31, 2024.
- At its meeting on April 2, 2024, the Executive Board first reported to the Supervisory Board on the business development in the 1st quarter of the 2024 financial year. In addition, the Management Board issued a report on the status of the work for the merger with Key Way Group Ltd. and on the preparations for the Extraordinary General Meeting convened for April 12, 2024 in this context.
- By resolution of May 10, 2024, the Supervisory Board approved the closing of the contribution agreement with the shareholders of Key Way Group Ltd., by which they undertook to contribute all shares of Key Way Group Ltd. to The Naga Group AG.
- The resolution passed on 13/14 May 2024 concerned the approval of a consultancy contract.
- On June 24, 2024, the meeting of the Supervisory Board to approve the Financial Statements 2023 took place. In addition, the Supervisory Board dealt with the scheduling and agenda of the Annual General Meeting at this meeting.
- The meeting on September 26, 2024 served to reconstitute the Supervisory Board following the resignations of the members Messrs. Harald Patt, Qiang Liu and Richard Byworth from the Supervisory Board.
- By resolution of November 12, 2024, the Supervisory Board approved the closing of the agreement for a credit line of USD 10 million, which was granted to the company by the main shareholder Netcore Investments Ltd. to finance growth.

- The subject of the meeting on November 19, 2024 was the report of the Executive Board to the Supervisory Board on the business development in the 3rd quarter of 2024.

Committees

The Supervisory Board of The NAGA Group AG continues to form no committees. All topics are dealt with efficiently in the full Supervisory Board.

Composition of the Supervisory Board and Management Board

The following personnel changes occurred in the 2024 financial year: Mr. Stefan Schütze took office as a member of the Supervisory Board in January 2024 following his election at the Annual General Meeting on December 29, 2023 and the expansion of the Supervisory Board from three to four members. Supervisory Board members Messrs. Harald Patt and Richard Byworth resigned from office with effect from the end of the Extraordinary General Meeting on April 12, 2024. Mr. Qiang Liu, who was appointed to the Supervisory Board by the shareholder Fosun Fintech Holdings (HK) Limited, was dismissed at the end of the Extraordinary General Meeting on April 12, 2024 to allow the election of substitute members for these three members. At the Extraordinary General Meeting on April 12, 2024, the shareholders re-elected Mr. Harald Patt, Mr. Qiang Liu and Mr. Richard Byworth to the Supervisory Board. Mr. Barry D. Rudolph, resident of North Carolina, USA, President of the Interface Financial Group, Bethesda, USA, Mr. Eyal Wagner, residing in Gibraltar, Managing Director of Castle Rock Limited Ltd., Gibraltar; and Dr. Christian Remaklus, residing in Friedberg, Co-Head Corporate Banking of China Construction Bank Corp., Frankfurt am Main and Managing Director of Alternative Invest Consult GmbH, Friedberg, were elected as substitute members. The Annual General Meeting stipulated that in the event of the resignation of a Supervisory Board member before the end of his or her term of office, the substitute members would become members of the Supervisory Board in the order mentioned above for the remainder of the retiring member‘s term of office.

After Supervisory Board members Messrs. Harald Patt, Qiang Liu and Richard Byworth resigned from office with effect from September 20, 2024, and substitute member Dr. Christian Remaklus resigned from office with effect from September 23, 2024, Mr. Barry Rudolph and Mr. Eyal Wagner became members of the Supervisory Board with effect from September 21, 2024. At its constituting meeting on September 26, 2024, the Supervisory Board elected Mr. Barry Rudolph as Chairman of the Supervisory Board and Mr. Stefan Schütze as Deputy Chairman of the Supervisory Board.

There were also personnel changes in the Executive Board in the 2024 financial year. At its meeting on January 26, 2024, the Supervisory Board appointed Mr. Octavian Patrascu as a member of the Management Board with immediate effect for a term of office until January 25, 2027, and also appointed him as Chairman of the Management Board. Mr. Michalis Mylonas has been appointed Deputy Chairman of the Board.

Audit of the consolidated financial statements

The auditor of the consolidated financial statements for the 2024 financial year, MSW GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, Berlin, elected at the Annual General Meeting on August 30, 2024, audited the consolidated financial statements prepared by the Management Board in accordance with IFRS, including the Group Management Report of The NAGA Group AG for the 2024 financial year, and issued an unqualified audit opinion.

Immediately after it was drawn up, the Supervisory Board received the annual and consolidated financial statements, including the Group management report, and the auditor‘s report. At the meeting of the Supervisory Board on May 28, 2025, the Supervisory Board dealt intensively with the aforementioned financial statements in the presence of a representative of the auditor. He reported on the timing, scope, priorities and main results of the audit and was available to the Supervisory Board for additional information. Furthermore, the auditor‘s representative confirmed that the risk management system set up by the Management Board is suitable for detecting developments at an early stage that could jeopardize the continued existence of the company and that no material weaknesses in the internal control system and risk management system were identified with regard to the accounting process.

After its own thorough review, the Supervisory Board endorsed the results of the audit. According to the final result of this examination, no objections are to be raised. The Supervisory Board approved the annual financial statements and the consolidated financial statements for 2024. The 2024 annual financial statements of The NAGA Group AG have thus been adopted in accordance with Section 172 of the German Stock Corporation Act (AktG).

In addition, the present report of the Supervisory Board was discussed and resolved.

Thanks

2024 was a year of upheaval for NAGA and was dominated by the merger with the Key Way Group group of companies, which was successfully completed in the course of the financial year. The new NAGA group of companies now stands on a broad growth foundation for accelerated global expansion. The Supervisory Board would like to thank all NAGA employees and the Executive Board for their strong personal commitment in the 2024 financial year.

Hamburg, 28 May 2025
The Supervisory Board

Barry Rudolph
Chairman of the Supervisory Board

9:41
Search NAGA for assets...
Leader Match
Top Traders
Top Earners
Community Heroes
7D
1M
1Y
All
Top Earners of This Month
150 Autocopiers
Savannah Liame
CRYSTAL Trader
P&L
$34945.94
Theresa Webb
IRON Trader
P&L
Community Heroes
See All
Savannah Liame
$34945.94
P&L
Theresa Webb
IRON Trader
$34012.21
P&L
Kristin Watson
DIAMOND Trader
Home
Trades
Leaderboard
Orders
Hub
Community Heroes
1D
1M
1M
6M
1Y
Ralph Edwards (You)
SILVER Trader
$1945.94
P&L
Savannah Liame
CRYSTAL Trader
$34945.94
P&L
Theresa Webb
IRON Trader
$34012.21
P&L
Kristin Watson
DIAMOND Trader
$32731.12
P&L
Albert Flores
BRONZE Trader
$30834.23
P&L
Dianne Russell
GOLD Trader
$30723.27
P&L
$29425.73
$29132.12
P&L
$30723.27

Group Management Report

Group Management Report

PRESENTATION BASICS

This Group Management Report of The NAGA Group AG (hereinafter also referred to as „NAGA" or the „Group") has been prepared in accordance with Sections 315 and 315e of the German Commercial Code (Handelsgesetzbuch – HGB) and the German Accounting Standard No. 20 (DRS 20). Unless otherwise stated, all information and disclosures refer to the reporting date of 31 December 2024 or to the financial year then ended.

FORWARD-LOOKING STATEMENTS

This Group Management Report may contain forward-looking statements and information, which can be identified by terms such as „expects," „intends," „anticipates," „plans," „believes," „seeks," „estimates," „will," and similar expressions. These statements are based on assumptions and expectations in effect at the time of reporting and are subject to a range of risks and uncertainties. As a result, actual developments and results may differ materially from those projected in such statements.
The NAGA Group AG does not undertake any obligation to update or revise these forward-looking statements in light of new information, future events, or other developments, unless legally required.

1. GROUP FUNDAMENTALS PROFILE

NAGA is a German fintech company based in Hamburg, listed in the open market at Deutsche Börse AG. The core business of the group is online brokerage. In addition to traditional stock trading, NAGA also offers a SuperApp that aims to combine social trading, investing in stocks, cryptocurrencies, and neo-banking into a unified platform powered by advanced technology developed in-house. The platform features a physical VISA card with fiat and automatic crypto conversion, as well as cashback, dynamic social feeds, and advanced autocopy features that allow users to copy the strategies of successful traders. Designed for a global community, NAGA provides an inclusive and efficient financial ecosystem for personal finance and trading.

With clients from over 100 countries, the Naga Group operates under 10 licenses and 9 countries with local office, NAGA offers a diverse range of services for investing, trading and pay in multiple fiat and cryptocurrencies.

Locations

The Group's headquarters are located in Hamburg. There are also the following locations:

- Limassol and Nicosia, Cyprus
- Mahe, Seychelles
- Lagos, Nigeria
- Abu Dhabi, United Arab Emirates
- Gibraltar, Gibraltar
- Bucharest, Romania
- KwaZulu-natal, South Africa
- Port Louis, Mauritius

Products and services

The NAGA Group integrates financial technology solutions across the domains of securities trading, blockchain-based assets, and digital payment services. Its proprietary multi-asset platform, **NAGA Trader,** enables clients to trade derivatives, equities, commodities, foreign exchange, and cryptocurrencies via desktop or mobile devices (iOS and Android). Users can create personalized portfolios, share their trading activity with the community, replicate top-performing strategies through copy trading, and develop algorithmic strategies using trading bots.
In addition to NAGA Trader, the Group's ecosystem includes **NAGA Pay** and **NAGAX**, which enhance the Group's offering in the areas of digital banking and crypto asset management. Currently under development, a unified **financial SuperApp** aims to consolidate all NAGA platforms, providing users with an integrated financial experience that seamlessly blends social interaction, investing, digital asset management, and payment functionality.

Sales markets, customers and sales policy

NAGA operates in global markets with a primary focus on the online trading of financial instruments. The Group's customer base includes retail and semi-professional investors with a strong digital affinity.

The Group's distribution strategy emphasizes digital-first marketing channels, including online and affiliate marketing, strategic partnerships, and highly automated client onboarding processes. Following the successful merger with Key Way Group Ltd. (CAPEX brand), NAGA is actively repositioning its brand across Europe while intensifying expansion in higher-margin regions such as Latin America (LATAM), the Middle East and North Africa (MENA), and Southeast Asia (SEA).

Framework conditions

NAGA's business performance is closely linked to the development of global capital markets and macroeconomic trends in its target geographies, particularly in LATAM, MENA, SEA, and Europe. The current backdrop of heightened market volatility, driven by rising political instability, geopolitical tensions, and unpredictable U.S. trade policies, creates favorable trading conditions for risk-oriented clients. This environment has contributed to elevated trading volumes and increased platform engagement.

Scope of Consolidation

The Group's scope of consolidation has expanded significantly following the merger with Key Way Group Ltd. (CAPEX).

In 2024, the NAGA Group includes a total of nine newly consolidated entities: one holding company based in Gibraltar and eight operating subsidiaries located in Cyprus, Abu Dhabi (UAE), Romania, South Africa, Mauritius, and the Seychelles.

The updated consolidated group structure reflects the broadened geographic and operational footprint of the NAGA Group post-merger. The scope of consolidation has changed compared to the 2023 financial year in such a way that the Key Way Group has been acquired through the process of a reverse merger and is therefore shown in the consolidated balance sheet as of December 31, 2024.

The table below presents the Group consolidated structure following the reverse merger principle as follows:

Company	**Shareholdings**	
	31.12. 2024	**31.12. 2023**
The Naga Group AG, Hamburg (parent company)	-	-
NAGA Markets Europe Ltd., Limassol, Cyprus	0 %	0 %
Naga Technology GmbH, Hamburg, Germany	100 %	0 %
Naga Virtual GmbH, Hamburg, Germany	100 %	0 %
Hanseatic Brokerhouse Securities AG (HBS), Hamburg, Germany	60 %	0 %
Naga Global LLC, Kingstown, Saint Vincent & Grenadines	100 %	0 %
NAGA GLOBAL (CY) LTD., Limassol, Cyprus	100 %	0 %
NG Global West Africa LTD., Lagos, Nigeria	99 %	0%
Naga Pay GmbH, Hamburg, Germany	100 %	0 %
NAGA Pay UK LTD., London, United Kingdom	100 %	0 %
NAGA Pay (CY) LTD., Limassol, Cyprus	100 %	0 %
NAGA X LTD., Limassol, Cyprus	100 %	0 %
NAGA Capital Ltd., Mahe, Seychelles	100 %	0 %
NAGA FINTECH CO., LTD., Bangkok, Thailand	0 %	0 %
Key Way Group Ltd., Gibraltar, Gibraltar	100 %	100 %
KW Investments Ltd, Mahe, Seychelles	100 %	100 %
Key Way Solutions Ltd, Limassol, Cyprus	100 %	100 %
JME Financial Services, KwaZulu-natal, South Africa	100 %	100 %
Key Way Markets Ltd, Abu Dhabi, United Arab Emirates	100 %	100 %
Key Way Services Srl, Bucharest, Romania	100 %	100 %
Key Way Investments Ltd, Nicosia, Cyprus	100 %	100 %
Neotrades Capital Ltd, Port Louis, Mauritius	100 %	0 %
Ntrade Services Ltd, Nicosia, Cyprus	100 %	0 %

The operating subsidiaries of The Naga Group AG are:

- NAGA Markets Europe Ltd („Naga Markets") is based in Limassol, Cyprus, and is an investment firm regulated by the Cyprus Securities and Exchange Commission („CySEC"). Naga Markets is responsible for brokerage and provides its clients with trading platforms for CFDs, Forex, ETFs and stock indices.

- Naga Technology GmbH, Hamburg, consists of the former companies SwipeStox GmbH, Swipy Technology GmbH, p2pfx GmbH, Zack Beteiligungs GmbH, Naga Blockchain GmbH – and since March 25, 2025 also the former Naga Virtual GmbH through merger. Naga Technology GmbH operates the Naga Trader and holds 100% of the shares in Naga Markets Europe Ltd. Naga Trader is available for iOS, Android and as a web trader with several thousand active users. The innovative social network offers quick and easy access to trading Forex, CFDs, ETFs, stocks, and cryptocurrencies.

- Naga Pay GmbH, Hamburg, developed and launched the neo-banking app NAGA Pay in 2020. NAGA Pay combines an IBAN account, a VISA debit card, a stock deposit, copy trading, and physical crypto wallets. Naga Pay GmbH holds a 100% stake in Naga Pay UK Ltd. and Naga Pay (CY) Ltd.

- Naga Pay UK Ltd, London, United Kingdom, was incorporated on 27 February 2021 with registration. It has the same business purpose as Naga Pay GmbH and serves Naga Pay customers who have their bank account in the UK.

- Naga Pay (CY) Ltd, Limassol, Cyprus, was incorporated with registration on February 21, 2022. It provides internal services related to the Naga Pay product for other Group companies.

- Naga Global LLC. („Naga Global“) operates online brokerage for clients outside the EU, providing trading platforms for CFDs, Forex, commodities and ETFs.

- The companies NAGA GLOBAL (CY) Ltd. and NG Global West Africa Ltd. act as subsidiaries of Naga Global LLC. and support its business activities in the area of customer acquisition and internal services as well as the establishment/operation of training centers. At the end of 2023, the liquidation of NAGA FINTECH CO Ltd, a former subsidiary of Naga Global LLC, was resolved, which became effective on January 4, 2024.

- Naga X LTD, Limassol, Cyprus, was incorporated with registration on August 17, 2021. The company holds a license for trading and holding cryptocurrencies (Crypto Asset Service Provider = CASP) from CySec.

- On 6 October 2022, the shares in NAGA Capital Ltd. (formerly: FT Invest Ltd.), Mahe, Seychelles, were acquired.

- Key Way Group Ltd, Gibraltar, Gibraltar: Key Way Group Ltd essentially operates as a holding company for 7 subsidiaries in the Middle East, Europe and Latin America, whose business activities include brokering and trading CFDs, stocks, foreign exchange, bonds, index funds and commodities. The company operates in the markets with its independent brand CAPEX.com as well as the Neotrades brand since 2024.

- KW Investments Ltd, Mahe, Seychelles, was founded in 2017 and is licensed to trade securities (financial services). Its main activity is the provision of investment services related to CFDs. The company is the sole shareholder of the subsidiary Key Way Solutions Ltd, Limassol, Cyprus.

- Key Way Solutions Ltd, Limassol, Cyprus, was established in 2018. The company acts as a payment processor.

- JME Financial Services Ltd, KwaZulu-natal, South Africa, was established in 2018. The company operates as a financial services provider and primarily provides investment services related to CFDs.

- Key Way Markets Ltd, Abu Dhabi, United Arab Emirates, was founded in 2019 and has been licensed to trade securities since 2020. The company offers investment services to its clients related to both CFDs and stocks.

- Key Way Services Srl, Bucharest, Romania, was founded in 2017 to outsource business processes from the parent company Key Way Group Ltd to this company.

- Key Way Investments Ltd, Nicosia, Cyprus, was founded in 2015 and holds a license to conduct financial activities. The core activity is the receipt, transmission and execution of orders (Straight-Through Processing („STP“) on the one hand and acting as a market maker on the other. In the meantime, the company had four permanent establishments in Romania, Spain, Italy and the Czech Republic, of which two (Italy and the Czech Republic) were closed after an internal reorganisation and realignment and the other two (Spain and Romania) are in liquidation.

- Neotrades Capital Limited which was incorporated in Mauritius on 03 March 2022 as a Private Company limited by shares in the Republic of Mauritius, under the Mauritius Companies Act 2001 and holds a Global Business Licence along with an Investment Dealer (Full-Service Dealer, excluding Underwriting) issued by the Financial Services Commission (FSC). Effectively from 1 January 2024 100% of the issued share capital of Neotrades was acquired. The company serves international private and business customers under the Neotrades brand.

- Ntrade Services Ltd was incorporated in Cyprus on 01 August 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113 and it has sole shareholder Neotrades Capital Limited. It offers a range of operational and administrative services, including payment assistance.

2. ECONOMIC REPORT

2.1. Macroeconomic and sector-specific framework conditions

Macroeconomic environment

According to the Organization for Economic Co-operation and Development (OECD), the global economy grew at a solid growth rate of 3.3 % in 2024 to the second half of the year. Global gross domestic product (GDP) increased by 3.2 % overall in 2024. On the one hand, rising real incomes and lower interest rates (see below under Capital Markets and Industry Environment) supported growth, while weaker government spending, weak consumer confidence and fluctuations in external demand had a negative impact in some regions. The decline in global headline inflation, which slowed to 7.0 % in 2024 (2023: 7.9 %), was recently slowed down by energy prices that did not fall further and a persistent upward trend in prices in the service sector.

Growth momentum in the emerging markets increased overall. China's economy (GDP 2024: +5.0 %; 2023: +5.4 %/ Consumer prices 2024: +0.2 %; 2023: +0.2 %) picked up after a weak summer half-year, but output growth in Southeast Asia as a whole lost momentum (GDP of East Asian emerging markets in 2024: +4.0 %; 2023: +3.4 %/ Consumer prices 2024: +2.3 %; 2023: +3.5 %). In Latin America (GDP 2024: +1.9 %; 2023: +2.2 %/ Consumer prices 2024: +28.3 %; 2023: +23.9 %), the economies of the countries developed differently. Strong increases in production in Chile, Peru and Argentina were offset by weaker economies in Brazil (due to high interest rates) and Mexico (partly due to hurricanes and strikes that made exchanges with the USA more difficult).

According to its „MENA Economic Update" published in April 2025, the World Bank expects real GDP growth for the MENA region to accelerate slightly in the current and next year. For example, an overall GDP growth rate of 2.6 % is assumed for 2025, followed by 3.7 % in 2026. The oil-exporting MENA countries are likely to benefit from the gradual increase in oil production that OPEC+ plans to do between April 2025 and September 2026. The World Bank highlights the multiple risks that could slow down the expected recovery in the MENA region, including weather-related shocks (droughts), oil market volatility, uncertain global demand and, more generally, increasing global political uncertainty.

In the euro area, economic growth remained subdued due to the continued weakness of the manufacturing sector and exports of goods (GDP 2024: +0.8 %; 2023: +0.4 %). At the same time, consumption picked up with rising real incomes. The tax on consumer prices fell markedly from +5.4 % in the previous year to +2.4 %, thus approaching the European Central Bank's inflation target of 2 %.

Germany's GDP declined by 0.2 % in price-adjusted terms in 2024 , and the German economy was slowed down by high energy costs and higher interest rates, among other things. On average for the year, the inflation rate fell to +2.2 % (2023: 5.9 %). Household final consumption expenditure rose only slightly by 0.3 % in price-adjusted terms, while government expenditure rose by 2.6 % (this was due to increased social benefits in kind provided by general government.

Capital markets and industry environment

2024 was also a strong year on the stock markets. There were significant double-digit price gains in the USA for the second year in a row: The leading Dow Jones index rose by 13 % for the year, the S&P 500 by 23 %, and the technology-heavy Nasdaq 100 recorded an even stronger gain with +25 %. The market driver was the topic of artificial intelligence, with some tech stocks posting triple-digit price gains in 2024. In Germany, the leading index DAX was also able to increase significantly by 18.8 % despite the weakening economy, as the large stocks contained in it are less dependent on the development of the German domestic economy. In contrast, the industrial and export-heavy MDAX, which ended 2024 with a minus of 5.7 %, was much more noticeable due to the German economic weakness. The overarching and formative topic for the capital markets was the development of key interest rates on both sides of the Atlantic. The European Central Bank (ECB) lowered the key interest rate for the first time from June 2024 in a total of four steps to 3.0 % at the end of the year , and the US Federal Reserve (Fed) followed suit a little later from September 2024 with three interest rate cuts to a range of 4.25 % to 4.50 %.

On the foreign exchange markets, the important euro/ USD ratio was still quite stable in the first quarter of 2024 with an exchange rate in a range between USD 1.07 and USD 1.10 per euro, after which the USD benefited from the Fed's lack of interest rate cuts. In the third quarter of 2024, the increased interest rate advantage over the euro decreased somewhat due to increasing expectations for interest rate cuts in the USA. The USD declined to new yearly lows against the euro in August 2024. At the end of September 2024, the exchange rate was USD 1.114 per euro. In the final quarter of 2024, the USD broke through the range of USD 1.045 to USD 1.125 per euro, which has been customary since the beginning of 2023 – at times, one-to-one parity was reached at USD 1.02 per euro at Nahe. The reason for this was the prospect of US interest rates not falling so sharply. At the end of the year, the exchange rate was USD 1.035 per euro.

The global cryptocurrency market has become „deeper, more liquid, more sophisticated, and more accessible" in 2024, according to the „Guide to Crypto Markets 2024 Q4" report prepared by Coinbase and Glassnode. Billions of USD are flowing into crypto spot exchange-traded funds (ETFs), stablecoins are experiencing increasing adoption, and Ethereum layer 2 scaling solutions are spreading. At the same time, the cryptocurrency market was less volatile in 2024 due to investors' investment in higher-quality assets. Spot trading volume on the 15 largest centralized crypto exchanges increased by 134 % year-on-year to USD 18.83 trillion in 2024. Although this significantly exceeded the two weaker previous years (2023: USD 8.05 trillion, 2022: USD 12.62 trillion), the previous record of USD 25.21 trillion from 2021 was still missed.
The size of the global neobanking market is estimated at USD 148.93 billion in 2024, of which USD 50.64 billion, the largest share was accounted for by the EU. The USA accounted for another 30 %, followed by the Asia-Pacific region (24 %).

2.2. NAGA Group business development

2024 was an important transition year for NAGA, which was strongly influenced by the successful merger with Key Way Group Ltd. (CAPEX brand). The merger announced at the end of 2023, was resolved at the Extraordinary General Meeting on April 12, 2024 with a strong vote of confidence by shareholders. The merger took place via a non-cash capital increase by the contribution of all shares in the parent company of Key Way Group Ltd. by its shareholders to The Naga Group AG in exchange for the issuance of new The Naga Group shares. As a result of the non-cash capital increase, the share capital of The Naga Group AG has increased by EUR 170,597,590.00 to EUR 224,645,514.00. Previously, The Naga Group AG had obtained all necessary regulatory approvals for the merger with Key Way Group Ltd. in July 2024.

The merger has created one of the world's leading neo-brokers with around 1.5 million users worldwide.

With their joint licenses, NAGA and Capex will be able to operate with local office in more than 50 countries, including the fast-growing MENA (Middle East/North Africa) region, where NAGA plans to introduce its social trading. NAGA's proprietary technology is expected to expand the product offering to Capex's existing customer base by offering social trading, neo-banking and Spot Crypto, thereby increasing client lifetime value (CLV) and thus generating additional profits.

R&D

Investment in research and development remains a strategic priority for The NAGA Group AG, reflecting the Group's commitment to seize market opportunities and maintain a competitive technological edge. R&D activities are executed through a combination of internal team and external partners, enabling NAGA to retain full control over its core platform while ensuring flexibility and scalability in delivery. All development efforts are overseen by the Board of Directors, ensuring that new products and applications are effectively integrated into the broader NAGA ecosystem.

In the financial year 2024, the Group invested EUR 4 million in R&D activities *(compared to EUR 5.3 million in 2023 pro forma figures including both NAGA and CAPEX)*. The reduction in expenditure reflects the **realization of synergies** following the merger, as development efforts are now focused on delivering a unified tech and market solution.
Looking ahead, the Board of Directors intends to allocate an average of **5 % - 10 % of annual revenue** to R&D over the next two to three years, with a strong focus on enhancing the Group's core products and user experience.

A key milestone planned for 2025 is the completion of the first version of the all-in-one financial super app **„NAGA One"**, which will consolidate trading, investing, copy trading, cryptocurrency management, and payment functionalities into a single, integrated platform. With advanced social trading features at its core, NAGA One is designed to significantly strengthen the Group's value proposition and global market position.

Through this initiative, NAGA continues to position itself as a technological innovator in the fintech sector, with a clear vision to offer a powerful and accessible financial ecosystem for users worldwide.

2.3 Results of operations

(in kEUR)	2024 Consolidated	2023 Proforma[1]	Delta	Delta (%)	2023 KWG
Revenue	**63,184**	**73,922**	**-10,738**	**-15%**	**34,194**
Execution and liquidity costs	-5,969	-8,939	2,970	-33%	-4,872
Payment processing charges	-3,574	-3,602	28	-1%	-1,343
Employee benefits expense	-9,269	-13,610	4,341	-32%	-6,019
Marketing & branding	-23,826	-24,217	391	-2%	-18,524
Technology & Infrastructure	-6,067	-6,645	578	-9%	-1,225
Operating expenses	-5,465	-8,248	2,783	-34%	-2,132
Impairment of current assets	0	-137	137	-100%	0
TOTAL Costs	**-54,170**	**-65,398**	**11,228**	**-17%**	**-34,114**
EBITDA	**9,014**	**8,523**	**490**	**6%**	**80**
EBITDA Margin	**14.3 %**	**11.5 %**			**0.2 %**

[1] In the year under review, the operating business was impacted by the reverse merger between Key Way Group and Naga as of January 1, 2024, with the business figures for the 2024 financial year being consolidated for the first time. As a result, the results for 2024 are not directly comparable to those for 2023, so „pro forma financial information" was provided for illustrative purposes, assuming that the merger would have taken place on 1 January 2023. This data is for comparison purposes only and represents a hypothetical scenario as if the two groups had been merged at that time.

The financial year 2024 was significantly shaped by the successful implementation of the corporate merger with Key Way Group, a strategic step aimed at consolidating operations and unlocking long-term growth potential.

Throughout the year, the Group focused on the migration of users from legacy Key Way brands to the NAGA ecosystem - a process that was fully completed by February 2025. This transition not only enabled the delivery of enhanced features and a superior user experience through the NAGA platform but also marked a key milestone in achieving technological and operational integration across the newly combined entities.

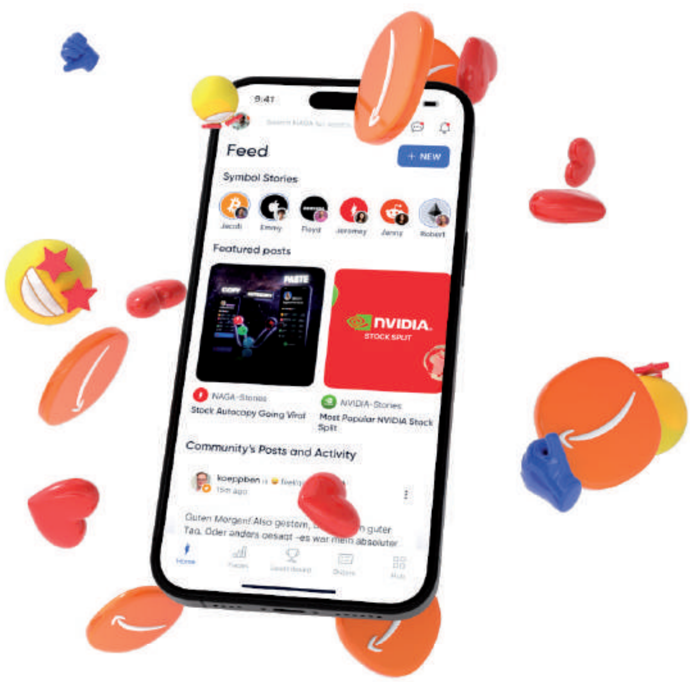
Despite the strategic progress, revenue for 2024 ended 15 % below the pro forma figures, primarily due to the deliberate optimization and discontinuation of non-profitable business lines. This was a core component of the Group's focus on **profitability and operational efficiency,** with the objective of establishing a more sustainable and margin-oriented growth trajectory. The revenue forecast for 2024 of EUR 80 million reported in the previous period was not achieved. It must be taken into account that at the time the forecast was submitted, the merger of the NAGA Group with the KWG Group had not yet been completed and the forecast could therefore only be very provisional.

On the cost side, we successfully captured significant cost synergies, particularly in relation to execution and liquidity, with approximately EUR 2 million in savings generated through the migration of Capex clients.

Structural fixed costs also declined substantially, driven by a EUR 5 million reduction in personnel and operating expenses, forming part of the broader synergy plan. These savings are expected to be fully realized in the 2025 financial year, with a direct positive impact on Group EBITDA.

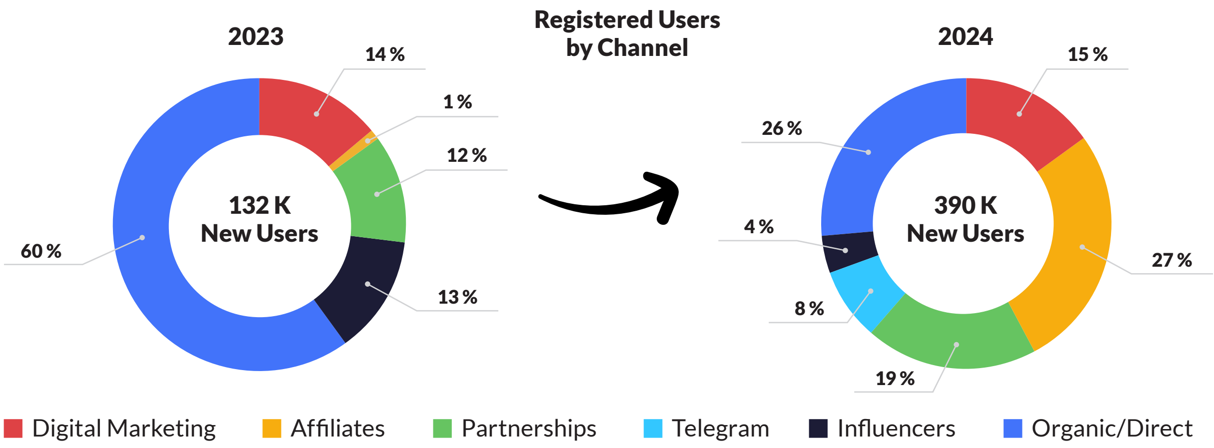
The Group's **EBITDA margin increased from 11 % to 14 %,** demonstrating the early impact of the restructuring measures and margin discipline. As a result, and despite the lower revenues, **absolute EBITDA showed a year-on-year improvement,** and this positive trend is expected to continue in 2025. At kEUR 9,014, EBITDA for 2024 is below the EBITDA forecast of kEUR 11,000 reported in the previous period. With regard to this deviation, too, reference should be made to the forecast uncertainty at the time the forecast was issued, which was already stated in the sales forecast.

While macroeconomic uncertainty is anticipated to remain a headwind for trading volumes, management is confident that the full realization of merger synergies will be a key driver of performance. Accordingly, the Group expects a further improvement in EBITDA margin and profitability in the 2025 financial year.



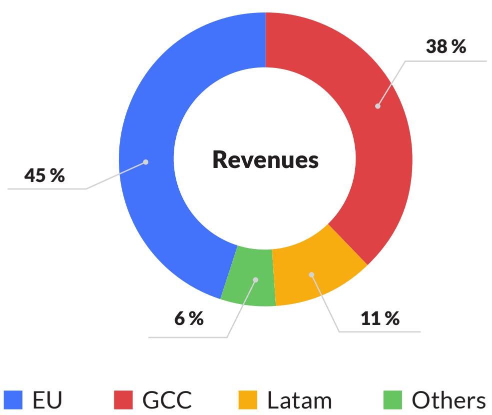
Operational KPIs

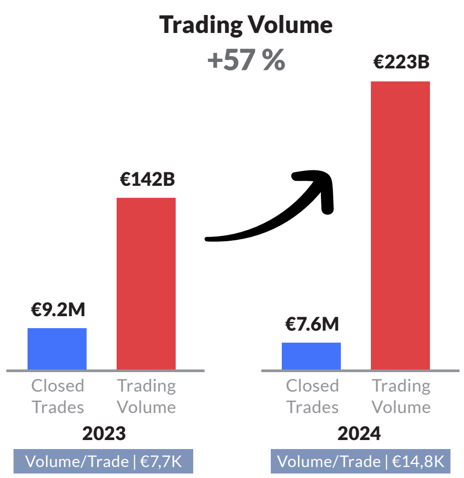
New users



As a result of the Group's broadened market positioning and intensified affiliate-driven user acquisition, the number of new users on the NAGA platform nearly tripled, increasing from 132k in 2023 to 390k in 2024. This surge reflects the enhanced global reach of the combined entity following the merger and the effectiveness of its performance-based acquisition strategy.

Revenues per region, Trading Volumes and CLV



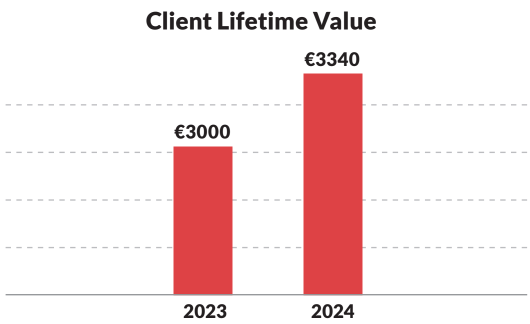


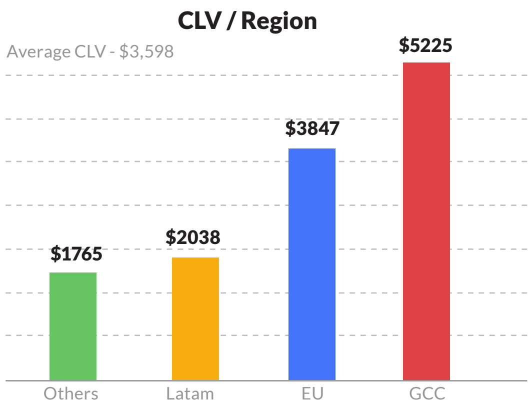
The merger has led to a notable diversification of the Group's revenue base:

- Germany and EU represent ca. 45 % of total revenues
- Almost 40 % of total revenue was generated from the Gulf States
- About 11 % came from Latin America
- 6 % originated from non-EU countries outside the above regions

This geographic shift reflects the Group's strategic focus on higher-margin emerging markets and its expanding global footprint.

Trading activity also showed strong momentum. Trading volumes rose by 56 %, from EUR 143 billion in 2023 to EUR 223 billion in 2024, driven by both increased user activity and geographic expansion.





The Group recorded an 11 % year-over-year increase in average Customer Lifetime Value (CLV), rising from EUR 3,000 to EUR 3,340, with the expansion in the Gulf region being one of the main responsible, where the average CLV reached USD 5,225, underscoring the strategic importance and profitability of that market.

Looking forward, the Group anticipates an increase in marketing and advertising spend to further drive customer acquisition and engagement. Key initiatives include:

- Expanding the use of online marketing channels
- Launching influencer campaigns and brand positioning strategies
- Enhancing automation in marketing processes
- Adopting a multi-vertical user acquisition approach
- Strengthening organic growth levers

These efforts are designed not only to grow the user base but also to optimize acquisition costs and maximize long-term margins through improved user retention and monetization.

2.4 Financial Position

Equity Ratios

Ensuring a strong liquidity position and maintaining full operational control over cash flows is core pillars of the Group's financial management strategy. In the 2024 financial year, inflation and currency fluctuations had no material impact on the Group's financial position.

The Group's capital structure has significantly improved as a result of the corporate merger between The NAGA Group AG and Key Way Group Ltd., as well as targeted financing and deleveraging measures:

2)	2024 Consolidated	2023 Proforma	Delta
Equity ratio	91 %	79 %	16 %
Debt ratio	2 %	12 %	80 %
Leverage	3 %	16 %	83 %

2) Equity Ratio = Equity / Total Assets
Debt Ratio = Financial Liabilities / Total Assets
Leverage = Financial Liabilities / Equity

These improvements were primarily driven by:

- A capital increase resulting from the merger with Key Way Group Ltd.
- The conversion of EUR 8.1 million in convertible bonds, predominantly subscribed by the major shareholder and Group CEO
- The repayment of legacy financial liabilities totalling approximately EUR 7.1 million related to earlier NAGA financing rounds

As a result, the Group now maintains a robust equity base, minimal debt exposure, and a healthy leverage ratio, ensuring financial stability and flexibility for executing its mid-term strategic growth plans without dependency on external financing.

Additionally, the Group's majority shareholder has made available a standby credit facility of up to USD 10 million, offering ~30 % lower financing costs compared to previous funding rounds. This facility provides further optionality for strategic investments and M&A initiatives, reinforcing the Group's ability to respond quickly to attractive opportunities.

Cash Flow

in kEUR	2024 Consolidated	2023 Proforma	Delta	Delta (%)
Operating cashflow	5,226	-1,310	6,536	499 %
Investing cashflow	-3,178	-5,345	2,167	41 %
Operating and investing cashflow	**2,048**	**-6,654**	**8,703**	**131 %**
Operating and Investing prepayments for next financial year	-1,122			
Operating and investing cashflow after prepayments	**926**	**-6,654**	**7,581**	**114 %**
Financing cashflow	-1,023	5,354	-6,377	119 %
Total outflows	**-97**	**-1,300**	**1,203**	**93 %**
Cash and cash equivalents at end of the period	**12,002**	**12,098**	**-97**	**1 %**

Note: Management applies a broader definition of cash and cash equivalents than that presented under IFRS, for a more comprehensive picture of the Group's short-term liquidity resources. The table below provides a reconciliation between the IFRS-compliant cash and cash equivalents and the management-reported cash position:

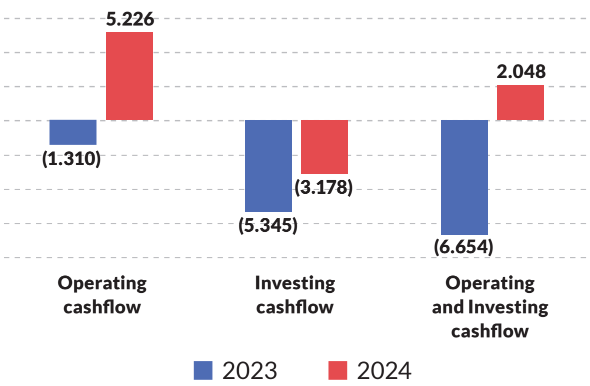
Cash and cash equivalents components	2024	2023
Cash and cash equivalents (per IFRS)	9,231	10,880
Fixed-term deposits	2,019	1,777
Credit lines from liquidity providers	0	-909
Rolling operational cash reserves	751	349
Total (as per Management view)	**12,002**	**12,097**

Following the successful merger, the Group prioritized operational optimization and investment discipline, resulting in a sustainable cash flow break-even. This milestone reflects the ability of the combined Group to support its investment activities through internally generated resources.

Compared to the prior year proforma, cash flow from operations and investment improved by EUR 8,7 million, marking a significant achievement and confirming the effectiveness of the strategic restructuring. This positive trend is expected to continue into the next financial period.

Synergies from the merger also led to more focused capital allocation.

Cashflow evolution 2023-2024



From a funding perspective, during the 2024 financial year, NAGA fully repaid legacy financial liabilities originating from pre-merger operations over EUR 7 million, including accumulated interest.

(in kEUR)	2024 Consolidated	2023 KWG	NAGA	2023 Proforma	Delta	Delta %
Cash and Cash Equivalents	12,002	7,618	4,481	12,098	(97)	-1%
Short-term Debt	(7,701)	(3,754)	(10,927)	(14,681)	6,980	-48%
Subtotal	**4,300**	**3,864**	**(6,447)**	**(2,583)**	**6,883**	**-267%**
Short-term assets	5,266	2,338	2,326	4,664	602	13%
Overcoverage / Underfunding	**9,566**	**6,203**	**(4,121)**	**2,082**	**7,485**	**360%**

These repayments were funded through a combination of:

- Capital injection of 8.1M EUR via Convertible Notes, fully converted in 2024, and
- Operational cash flow generated during the year

At the same time and as already mentioned, the group secures a credit line to continue investments into potential opportunities.

Net assets

<u>**Short-term net assets**</u>

The NAGA Group's short-term net assets position improved significantly in 2024, primarily as a result of the strategic measures already outlined in this section analysis on cash flow and equity structure.

This positive development was driven by the completion of the merger, the subsequent capital injection of EUR 8.1 million and the repayment of legacy debt. These actions collectively led to a material strengthening of the Group's liquidity and balance sheet structure.

The following table provides a breakdown of short-term net assets and the change compared to 2023 (on a pro forma basis):

At year-end 2024, the Group presents a net short-term asset coverage of EUR 9.6 million, compared to EUR 2.1 million on a pro forma basis in the prior year. This eightfold increase reflects the Group's enhanced financial flexibility and reduced reliance on external debt, resulting in a highly sustainable position to support future growth.

Non-current assets and liabilities

in kEUR	2024	Proforma 2023	Delta
Non-current assets	**75,863**	**58,128**	**17,735**
Intangible assets	10,163	16,942	-6,779
Goodwill	62,130	37,863	24,267
Deferred tax assets	1,969	1,625	344
Other Non-current assets	1,601	1,698	-97
Non-current liabilities	**328**	**762**	**-434**
Long term loans	0	416	-416
Leasing liability	328	346	-18

In 2024, the Group's non-current assets increased by EUR 17.7 million compared to the proforma 2023 figures, reaching EUR 75.9 million. The primary driver of this increase was the growth in Goodwill by EUR 24.3 million year. This increase is attributable to:

- EUR 17 million from the acquisition of Neotrades, and
- EUR 7 million from the reverse merger accounting adjustment.

Conversely, intangible assets decreased by EUR 6.7 million, despite new investments of approximately EUR 4 million in software and product development during 2024. The reduction is primarily due to:

- Depreciation of legacy technology platforms (EUR 8.3 million) originally developed by NAGA, and
- Amortization of other intangible assets (EUR 2.8 million).

Going forward, management expects annual capitalized development costs to align more closely with depreciation levels, leading to a stabilization in the carrying amount of intangible assets and a positive impact on the Group's net profit.

On the liabilities side, the group repaid all long term liabilities during 2024 as explained in the cashflow section of this report.

Overall assessment of the financial position

From a financial standpoint, the strategic discontinuation of non-profitable business segments and a deliberate emphasis on post-merger integration and synergy realisation over immediate topline growth, contributed to a robust EBITDA margin and placed the Group on a solid operational position.

In parallel, the merger combination together with the clean-up of legacy liabilities, and renegotiation of financing terms significantly strengthened the Group's net asset position. It presents now robust equity and liquidity metrics, ensuring that is well-positioned to internally fund its strategic initiatives, thereby enhancing its long-term financial resilience.

With these foundations in place, NAGA is now uniquely positioned as a fully licensed, multi-jurisdictional platform, operating at the intersection of derivatives trading, equities and ETFs, payments, and crypto assets. To management's knowledge, no other market player offers such a comprehensive and integrated offering across these verticals.

Looking ahead, the Group is preparing to raise debt capital to accelerate growth and support targeted strategic acquisitions. These initiatives are expected to expand market share, unlock further operational synergies, and enhance monetisation of acquired assets under management (AUM).

2.5 Forecast, Opportunities and Risks

Macroeconomic forecast

In its April 2025 update of the „World Economic Outlook", the International Monetary Fund (IMF) has significantly lowered its forecast for global economic growth in 2025 and 2026. Instead of +3.3 % each, the IMF now assumes only an increase of 2.8 % for 2025 and +3.0 % for 2026. This would be well below the multi-year average of +3.7 % for the years 2000 to 2019 in both years. Compared to the last outlook from January 2025, a series of tariff measures by the US and countermeasures by trading partners have been announced and implemented, bringing effective tariffs to levels not seen in a century. This, combined with the unpredictability of the further development of the trade dispute, is severely dampening economic activity and the outlook. For developed economies, the IMF assumes economic growth of 1.4 % in 2025, although the forecast for the US has been cut by 0.9 percentage points to +1.8 % in the wake of greater political uncertainty, trade tensions and weaker demand. For developing countries and emerging economies, the IMF forecasts growth rates of 3.7 % and 3.9 % for 2025 and 2026 (compared to January 2025, a reduction of 0.5 percentage points for 2025 and 0.4 percentage points for 2026), with a significant downward revision for the countries hardest hit by the punitive tariffs (such as China). Global inflation is expected to decline from 4.3 % in 2025 to 3.6 % in 2026. This outlook is dominated by high downside risks, in particular an escalating trade war.

Among the most affected by the US tariffs are the Asian emerging and developing countries. The IMF has lowered its forecast for economic growth by 0.6 percentage points to +4.3 % in 2025 and by 0.5 percentage points to 4.4 % in 2026. China's economic output will only increase by 4.0 % in 2025 and 2026 instead of 4.6 % and 4.5 %.

The Middle East and Central Asia will benefit from the fading impact of oil production disruptions and ongoing conflicts during the IMF's forecast period. However, since these effects are taking effect more slowly than expected, the IMF also made downward revisions of 0.8 percentage points for 2025 to GDP growth of 2.9 % and by 0.4 percentage points to +3.6 % in 2026.

For Latin America, the IMF expects economic growth to weaken slightly to +2.0 % in 2025, followed by +2.4 % in 2026. This corresponds to a downward revision of 0.5 percentage points for 2025 and 0.3 percentage points for 2026.The deterioration in the outlook for Mexico (correction by -1.7 percentage points to -0.3 % in 2025 and by 0.6 percentage points to 1.4% in 2026), which reflects the punitive tariffs imposed by the USA, the associated uncertainty and geopolitical tensions, as well as tighter financing conditions, is largely responsible for this.

Economic growth in the euro area will decline slightly to 0.8 % in 2025, but will then pick up to +1.2 % in 2026. Here, the IMF has only made slight downward corrections of 0.2 percentage points for both years. In 2025, increased uncertainty and tariffs will have a dampening effect, but from 2026 onwards they will be offset by stronger consumption combined with rising real wages and an expected fiscal easing in Germany. Consumer price inflation will continue to ease, falling from 2.1 % in 2025 to 1.9 % in 2026.

For the German economy, the IMF assumes only zero growth in 2025 – which would once again put it at the bottom of the G7 industrialized nations. The German government also announced a further reduction of its economic forecast to stagnation. In contrast, other leading economic institutes had assumed at least a small GDP increase of 0.1 % for 2025. In 2026, German economic production will then increase by 0.9 % instead of 1.2 %.

Capital markets and industry environment

The strong stock market year 2024 was followed by a very volatile first quarter of 2025, characterized by increased uncertainty as a result of unpredictable US trade policy. The headlines and the back and forth around tariffs on US imports dominated the stock markets on Wall Street, and inflation fears rose with it. After a still friendly start to the year, supported by the positive reporting season and initially still US President Donald Trump's moderate statements on the subject of tariffs, US customs policy dominated the mood on the markets in February and March 2025. In February 2025, the tariff discussions and ideas mainly damaged the share prices of the European automotive sector. In the USA, falling consumer confidence depressed the US stock market. Talks with Russia to end the Ukraine war caused the price of oil to fall. In March, there was high volatility on the stock markets. The corrections in the US markets related to new tariff announcements, the ongoing uncertainty for the US economy and international relations hit the US technology sector the hardest. In Germany, on the other hand, the upcoming fiscal package strengthened the stock market, but also the ECB's further key interest rate cuts (most recently in April 2025 by 25 basis points to 2.25 %).

Against this backdrop, the S&P 500 in the US fell by 4.6 % in the first quarter of 2025, ending its previous five-quarter winning streak. The Nasdaq even lost 10.4 % in value – the weakest quarter in the last three years. The decline was smaller for industrial stocks, which is why the Dow Jones fell by only 1.3 %. The DAX, on the other hand, climbed to a new all-time high of 23,476 points on March 18, 2025, lost 6.4 % in value in the midst of high volatility on the stock markets, but was still able to end the first quarter with a gain of around 11 %. The turbulence was particularly striking at the beginning of April 2025, after US President Donald Trump announced punitive tariffs on almost all imports into the USA. Worldwide, stock market prices collapsed as sharply as they did last during the corona pandemic in 2020, and the DAX also recorded a price loss of 10 % in the meantime. The stock market crash led to technical problems at some neobrokers due to the rush of investors. The Naga Group AG was not affected by this.

The global neobanking market is expected to grow further to USD 230.55 billion in 2025 and to around USD 4,396.58 billion by 2034. This corresponds to an annual growth rate of 40.3 % from 2025 to 2034. In the coming years, significant market expansion is forecast for the Asia-Pacific region. The European neobanking market is expected to grow to USD 78.4 billion in 2025 and to USD 1,494.84 billion by 2034.

Over the course of the first quarter of 2025, sentiment has also deteriorated in the crypto markets. Initially, cryptocurrencies continued to benefit from the change in policy in the U.S. and reached new record highs. The change of direction came as the digital coins promoted by US President Donald Trump lost significant value, in a ddition to a hacker attack on the crypto exchange Bybit, in which hackers managed to steal Ether worth around USD 1.5 billion. The market capitalization in the crypto markets decreased by USD 633.5 billion or 18.6 % in the first quarter of 2025. Average trade volume also decreased by 27.3 % to USD 146.0 billion in the first quarter of 2025 (both compared to the previous quarter). In contrast, the market capitalization on the stablecoin market climbed by USD 24.5 billion to a new high of USD 226.1 billion.

On the foreign exchange markets, the euro initially continued to lose ground against the USD in the first quarter of 2025 – an exchange rate of USD 1.02 per euro was the lowest level in over two years and the achievement of the euro-USD parity seemed to be imminent. But the turbulence caused by US trade policy led to an increasing loss of confidence in the US and a falling USD. Despite the greater interest rate advantage for the USD, the euro was able to gain in March, temporarily to over USD 1.09 per euro. Amid the stock market turmoil, the euro experienced its fastest rise in more than a decade to USD 1.14 per euro in April 2025.

NAGA strategy and opportunities

In the 2025 financial year, NAGA plans to further expand the synergies from the merger with Key Way Group, which will enable the Group to significantly improve its key performance indicators, which will be reflected in a significant increase in success figures (EBITDA and net income).

The current year is the opportunity for Naga to consolidate and become a self-sustaining company through cost optimization, operational efficiency, and a strong reinvestment strategy, laying the foundation for long-term, predictable, and scalable profitability while maintaining a clear vision for the future: AI-driven commerce, fintech expansion, and global market penetration.

For the 2025 financial year, The Naga Group AG expects revenue growth of 19 % to around EUR 74 million, driven by the realignment of marketing activities, the first full year of the one-brand marketing strategy and expansion into regions with high customer lifetime value (CLV).

The cost-cutting and efficiency measures introduced are expected to take full effect in the 2025 financial year. The introduction of the one-brand marketing strategy following the approval of the merger and the complete transition to a unified platform are expected to drive operational efficiency and leaner customer acquisitions in 2025. Further efficiency gains are to be achieved in the areas of regulatory overheads, personnel and trading costs, and customer acquisition costs. With the provision of features such as social trading, neo banking and crypto trading, the CLV of CAPEX.com's previous users is increasing and thus the profitability of The Naga Group AG.

To achieve the targeted revenue growth, marketing and advertising expenses will be expanded to around EUR 33 million in 2025. The NAGA brand is to be repositioned in the EU and introduced or expanded in regions with high CLV. This is intended to promote brand value and customer acquisition in the long term. At the same time, the geographical expansion can only be achieved with increased personnel costs, which are expected to increase to around EUR 13 million as planned. In the future, the Management Board sees potential savings due to the use of automation and AI tools. In contrast, the Management Board expects other operating expenses to fall to around EUR 10 million.

The Management Board expects Group EBITDA to increase sharply by 51 % to EUR 12.5 million, corresponding to an improved EBITDA margin of 17 %. The Naga Group AG will also be able to significantly improve its net result to near the break-even point, despite still high depreciations legacy of past investments.

The declared goal is to achieve sustainable internal financing power for the implementation of organic growth, while external financing is to be used exclusively for geographical expansion and attractive M&A opportunities. In line with this objective, The Naga Group AG successfully reached cash break-even for the first time in the history of The Naga Group AG in the past financial year 2024. For 2025, the Management Board expects the cash surplus to amount to an average of EUR 0.5 million per month. The forecast for the 2025 financial year does not include M&A activities, but a secured credit line of USD 10 million is available. Strategic acquisition opportunities are actively evaluated.

In the current year 2025, The Naga Group AG aims to complete the first phase of Naga One super app, which will allow it to further expand its competitive advantage through advanced social trading features. As integration progresses, 2025 will be a pivotal year for accelerating marketing initiatives and targeted margin expansion.

2.6 Risks report

The business activities of The NAGA Group AG are subject to a wide range of risks and uncertainties. These include external influences such as **macroeconomic conditions**, **geopolitical developments**, and the **regulatory environment**, as well as internal factors like **operational efficiency, IT infrastructure**, **and personnel dependency.** Effective identification, assessment, and management of these risks is a central component of the Group's governance and strategic planning processes.

Overview of Risk Environment

NAGA's performance and future development depend on numerous factors, including maintaining regulatory licenses, ongoing cooperation with key partners, customer acquisition, and technological competitiveness. If these assumptions prove incorrect or incomplete, the Group's revenues, profitability, and strategic execution could be adversely affected.

In a worst-case scenario, the business model may prove unprofitable or unsustainable, potentially requiring impairments – particularly on capitalized non-current assets – and impacting the Group's net assets, financial position, and results of operations.

While the **wars in Ukraine and Israel** continue to present macroeconomic and financial market risks, there was **no material adverse impact** on NAGA's financial performance in 2023 or 2024. The Group's low external debt has also mitigated the effects of rising interest rates.

Features of the risk management system

With the Naga Trader application, NAGA operates in the CFD, Forex, ETF and stock markets in a regulated market. In addition to the constant changes in the company's economic environment, changes in the legal and regulatory framework are therefore also of central importance for the company's success. Current developments are constantly monitored and carefully analysed. In April 2023, the EU finalized the MiCA Regulation (Markets in Crypto-Assets). Since NAGA already has a license for cryptocurrency transactions in Cyprus, the company expects to gain a competitive advantage over companies that have previously carried out these transactions without official authorization.

The Board of Management incorporates emerging opportunities and potential risks into its business and risk strategy and adjusts it accordingly as necessary. Monitoring and managing risks is a central part of the company's management tools at NAGA.

A pronounced risk awareness in all relevant business processes and the high ethical standards of the Group are observed by management and employees. Limiting risk is also one of the most important goals for all NAGA leaders in their respective areas of responsibility. In this context, each manager develops effective task-specific control processes and ensures their continuous application.

In addition, NAGA has set up a staff unit for the comprehensive and comprehensive assessment, limitation and management of risks, which in particular has also taken over the group-wide tasks of risk controlling in accordance with the minimum requirements for risk management (MaRisk) of BaFin AT 4.4.1. This employee is responsible for the Group-wide identification, assessment, management, monitoring and communication of risks. This position has free access to all risk-relevant information and data of the Group.

The Head of the Risk Management department is involved in all important risk policy decisions of the Board of Management. The Supervisory Board will be informed immediately in the event of a change in the management of NAGA's risk management department.

Risk identification and risk assessment

NAGA has a risk inventory, which is also updated on an ad hoc basis if necessary. This allows NAGA to divide risks, including risks arising from the use of financial instruments to which it is exposed in the course of its operations, into the following categories:

- Market risks
- Default risks
- operational risks,
- Liquidity risk
- Other risks (country risks)

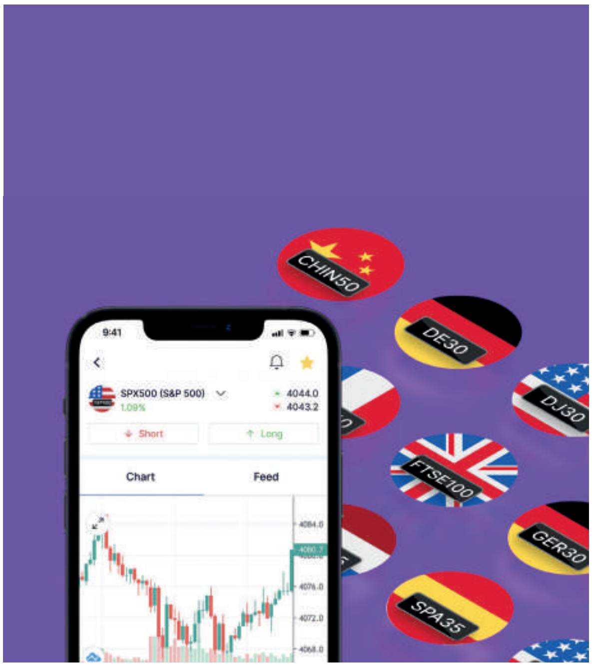
The risk assessment takes into account the risk-mitigating measures taken and the existing equity situation.

Monitoring and communication of risks

The management is informed regularly about the current risk situation, key figures and the earnings situation of NAGA. In addition, the Management Board has access to an overview in which selected key figures (such as EBITDA) of NAGA are presented.

Risk-bearing capacity was ensured at all times in the reporting period. At the time of preparation of this risk report, there were no immediate risks that could jeopardize the continued existence of the company, including with regard to possible concentration risks.

The main risks to which NAGA is exposed in the course of its business activities are described in more detail below. The following tabular assessment methodology is used to assess the probability of occurrence and the extent of the risk:



Probability of entry	Description
< 5 %	very low
5 - 25 %	low
> 25 - 50 %	medium
> 50 %	high

Extent of risk	Impact on business activities, net assets, financial position, results of operations and reputation
low	limited impact < kEUR 50 EBITDA individual risk
medium	some impact > kEUR 50 EBITDA individual risk
high	significant impact > kEUR 200 EBITDA individual risk
very high	damaging impact > EUR 1 million EBITDA individual risk

Management and limitation of market price risks

NAGA defines market price risks as downside risks due to changes in market prices (stock prices, exchange rates, precious metal/commodity prices, interest rates, crypto-currency prices) and price-influencing parameters (e.g. volatilities). These risks arise for the most part in the trading order books of the Group's brokerage companies. A dedicated trading department processes the risks in real time according to internal guidelines by applying a multi-level limit system that is adapted to the legal requirements, the company's equity and its risk profile, which is monitored on a daily basis. If limit values are exceeded, appropriate countermeasures are immediately initiated.

NAGA estimates the remaining market price and currency risks as well as their probability of occurrence to be low.

All risks and countermeasures are reviewed constantly, recorded in the risk inventory and are available to the internal audit of the brokerage companies as a basis for a risk-oriented audit process.

Turbulence in the domestic and international securities markets, a continued sideways trend with low turnover and other market risks can lead to a decline in investor interest. The trading activity of the customers of the Group companies is dependent on general stock market turnover and market volatility.

Control and limitation of counterparty default risks

Counterparty default risk is defined by NAGA as the risk of loss or loss of profits due to unexpected defaults or unforeseeable deterioration in the creditworthiness of business partners.

NAGA's business partners are screened on the basis of clearly defined criteria, which are adapted to the current circumstances if necessary and are based on the specific characteristics of the business partners. In addition, an ongoing credit check is carried out on the basis of publicly available data. NAGA considers the extent of the resulting risks to be very high, but the associated probability of occurrence to be very low.

Operational risks

1) Dependence on software and IT risks

For NAGA, there is an operational risk in particular due to the dependence of the operation on the IT infrastructure and the associated services. This also includes the dependence on the error-free provision of services by external service providers („outsourcing"). Operational risks in IT can be divided into hardware, software and process risks. Extensive IT and Internet systems are in use throughout the Group, which are essential for proper business operations. The Group is particularly dependent on the smooth functioning of these systems. Despite comprehensive measures to back up data and bridge system disruptions, disruptions and/or complete failures of IT and Internet systems cannot be ruled out. Deficiencies in data availability, errors or functional problems in the software used and/or server failures due to hardware or software errors, accidents, sabotage, phishing or for other reasons can also lead to considerable image and market disadvantages as well as possible compensation payments for the Group.

There is also a risk of malfunctions and/or failures in the software developed in-house. However, we see very little risk here, as we should be warned by our control systems in good time.

Considerable investments are being made in IT equipment throughout the Group in order to be able to handle the significantly increased business volume accordingly and to ensure sufficient protection against failures. The probability of the event occurring, which results from dependence on software and IT risks, is estimated to be low, while the potential extent of damage is estimated to be medium.

2) Personnel risks

NAGA uses the established monitoring and communication processes to limit risks related to personnel. Nevertheless, individual mistakes by individual employees can never be completely ruled out. We estimate the probability of occurrence of events resulting from personnel risks to be very low and the potential extent of damage to be low.

3) Legal risks

As a regulated provider of financial services, NAGA operates in an environment with rapidly changing legal frameworks. Violations of the law can result in fines or litigation risks. NAGA addresses these legal risks by constantly monitoring the legal environment, cultivating internal legal expertise and drawing on external legal expertise when necessary. We estimate the probability of occurrence of events resulting from legal risks as low and the extent of the risk as medium.

In particular, there is a risk of fines from the Federal Financial Supervisory Authority (BaFin). At this point in time, two proceedings, both of which were initiated by BaFin several years ago, have not yet been formally concluded. However, the company does not expect BaFin to continue the proceedings.

4) Litigation risks

As of the balance sheet date, three legal disputes were pending on competition law topics with a total exposure of around kEUR 30 in the event of court rulings against the company.

Management and limitation of liquidity risks

NAGA defines liquidity risk as the risk that it will not be able to meet its current or future payment obligations in full and on time from its available financial resources.

In view of the appropriate liquidity position and the risk-limiting measures taken, NAGA classifies the probability of occurrence of its remaining liquidity risks (in the narrower sense) as very low and also assesses the associated extent of damage as low.

General business risks due to dependence on technical developments and customer behavior

For NAGA, general business risks are those risks that result from changed framework conditions. These include, for example, the market environment, customer behavior and technical progress.

NAGA constantly monitors changes in the legal and regulatory environment, as well as in the areas of customer behavior and technical progress, and continuously reviews the resulting strategic implications. We estimate the probability of events to occur as low and the potential extent of damage as medium due to dependencies on technical developments and customer behavior.

Reputational risks

For NAGA, reputational risk is the risk of negative economic repercussions resulting from damage to the company's reputation.

In principle, the Group companies strive for a high level of customer loyalty through a good reputation in order to gain a competitive advantage over competitors. In addition to the direct financial impact, many of the above-mentioned risks risk damaging the Group's reputation and leading to financially adverse consequences for the Group through reduced customer loyalty.

NAGA takes into account general business risks and reputational risks, in particular by incorporating them into its strategic guidelines and using its risk management processes to monitor the relevant environment on an ongoing basis. The associated risk assessments are carried out as part of the assessment of the Group's operational risks, which are conservatively assigned to a medium probability of occurrence and a high risk in accordance with the prudent principle.

Country Risks

NAGA is growing increasingly globally, especially through the merger with Key Way Group Ltd. Expansion into new markets entails economic and political risks, resulting from different legal systems, regulations, social and political stability, and the state of infrastructure, among other things. In some countries where the Group operates, there are risks related to corruption and the difficulty of entering new markets. NAGA is constantly opening up new local markets with selected partners who are familiar with the local conditions and have an excellent network of contacts.

3. MANAGEMENT BOARD ASSESSMENT OF THE OVERALL RISK AND OPPORTUNITY SITUATION

We understand the assessment of the overall risk situation as a cumulative consideration of all material risk categories and individual risks. NAGA is convinced that neither the individual risks mentioned nor the risks in the network pose a threat to the continued existence of the company as of the balance sheet date and until the date of preparation of the consolidated financial statements.

NAGA believes that it will be able to take advantage of opportunities that arise in the future without having to expose itself to disproportionately high risks. Overall, a balance between opportunities and risks is sought.

Internal control and risk management system in relation to the group accounting process

The Supervisory Board of NAGA generally monitors the effectiveness of the internal control and risk management system („ICS“ and „RMS“) in accordance with Section 107 (3) sentence 2 of the German Stock Corporation Act (AktG). The scope and design of the ICS are at the discretion of the Executive Board. The functionality and effectiveness of the ICS in the Group and in the individual companies is regularly reviewed by the Board of Management.

The accounting-related ICS contains the principles, procedures and measures to ensure the regularity of accounting. It is continuously developed and aims to:

These NAGA consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards („IFRS“) applicable in the European Union and in accordance with the supplementary provisions of German commercial law pursuant to Section 315e (1) of the German Commercial Code (HGB). In addition, the accounting-related ICS also aims to ensure that the annual financial statements of NAGA Group AG are prepared in accordance with the provisions of commercial law.

In principle, there is no absolute certainty that an ICS will achieve its goals, regardless of how it is specifically designed, as IT-related errors or human error or misconduct can influence the achievement of goals. With regard to accounting-related ICS, there can therefore only be a relative, but not an absolute certainty, that material misstatements in financial reporting will be avoided or detected.

The Financial Accounting and Controlling departments manage the processes of group accounting and the preparation of the management report. Laws, accounting standards and other pronouncements are continuously analysed to determine whether and to what extent they are relevant and how they affect accounting. Standardised reporting formats, IT systems and IT-supported reporting and consolidation processes support the achievement of uniform and proper Group accounting.

If necessary, NAGA makes use of external service providers in the form of experts. The employees involved in the accounting process are regularly trained. They ensure that their accounting processes and systems are carried out properly, on time, and on time.

Internal controls and the consideration of risk aspects are implemented in the processes in the form of preventive and detective controls. These include, for example:

- IT supported and manual reconciliations
- Separation of functions, in particular of external and internal accounting
- Four-eyes principle
- Regularly monitored access system for IT systems.

Assurance of the legal representatives (balance sheet oath)

We assure to the best of our knowledge that, in accordance with the applicable accounting principles, the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group, and that the Group management report presents the course of business, including the results of operations, and the position of the Group in such a way as to give a true and fair view, as well as the material opportunities and risks of the Group. expected development of the Group.

Hamburg, 28th May 2025

The NAGA Group AG
Management Board

C.-O. Patrascu M. Mylonas A. Luecke

9:41
6.32%
6.01%
6.01%
AUDUSD
BTCEUR
Other
Investment Size Percent
Copying 0-20% (30)
Copying 21-40% (10)
40%
Copying 41-60% (10)
10%
Copying 61-80% (10)
20%
Copying 81-100% (10)
5%
Copying Over 101% (10)
15%
10%
Investment Type
Percentage Trades (8)
Fixed Trades (2)
80%
20%
Investment Type
40%
30%
COPY
PASTE
Autocopy
Savannah Liame
CRYSTAL Trader
Risk Score: 6
97.02%
Win Ratio
47.38%
Return
$634.84/Trades
investment
VIEW ALL STATS
Your Dashboard

Consolidated Financial Statements

Consolidated balance sheet

as of December 31, 2024

	Notes	31.12.2024 kEUR	31.12.2023 kEUR
ASSETS			
Non-Current Assets			
Intangible assets	7.a) & 7.o)	72,294	2,939
Tangible assets	7.b)	397	95
Right-of-use assets	7.c)	984	726
Financial and other assets	7.d)	220	1,944
Deferred tax assets	7.g)	1,969	1,625
Total Non-Current Assets		**75,863**	**7,329**
Current Assets			
Trade accounts receivables	7.e)	1,801	1,740
Other current assets and affiliate receivables	7.d)	4,216	887
Other Investment	7.d)	2,019	-
Cash and cash equivalents	7.f)	9,231	5,943
Total Current Assets		**17,268**	**8,570**
Total Assets		**93,130**	**15,899**

	Notes	31.12.2024 kEUR	31.12.2023 kEUR
EQUITY			
Subscribed Capital		232,783	29
Capital reserve		34,885	17,580
Reverse acquisition reserve		(167,969)	-
Retained earnings		(13,328)	(6,601)
Currency conversion reserve		141	(17)
The shareholders of the parent company attributable equity		**86,513**	**10,992**
Shares of non-controlling interests		(1,412)	
Total equity	**10.**	**85,101**	**10,992**
EQUITY			
Non-current liabilities			
Other long term liabilities	7.h)	-	416
Deferred tax liabilities		-	-
Leasing liability	7.i)	328	346
Total Non-Current Liabilities		**328**	**762**
Current Liabilities			
Short term loans	7.h)	2,236	1,756
Trade accounts payable		2,836	1,327
Other current liabilities	7.h)	1,288	554
Leasing liabilities	7.i)	726	421
Tax accruals	7.j)	203	86
Other accruals	7.k)	412	-
Total Current Liabilities		**7,701**	**4,145**
Total Liabilities		**8,029**	**4,906**
Total Equity and Liabilities		**93,130**	**15,899**

Consolidated statement of comprehensive income

from January 1 to December 31, 2024

	Notes	01.01. - 31.12.2024 kEUR	01.01. - 31.12.2023 kEUR
Revenue	**7.l)**	**63,184**	**34,194**
Execution and liquidity costs	7.p	(5,969)	(4,872)
Payment processing charges	7.q	(3,574)	(1,343)
Net Revenue		**53,641**	**27,979**
Activated programming services	7.o)	1,424	-
Other operating income	7.n)	991	174
Net income		**56,056**	**28,153**
Employee benefits expense	7.r)	(9,269)	(6,019)
Marketing & branding	7.s)	(23,826)	(18,524)
Technology & Infrastructure	7.m)	(7,491)	(1,225)
Operating expenses	7.s)	(6,456)	(2,306)
Impairment of current assets		-	-
Earnings before interest, taxes, depreciation and amortisation (EBITDA)		**9,014**	**80**
Business combination expenses	7.t)	(674)	-
Earnings before interest, taxes, depreciation and amortisation (EBITDA) after Business combination expenses		**8,340**	**80**
Depreciation and amortisation	7.a) & 7.b)	(12,044)	(1,664)
Impairment and write down of financial assets		(39)	-
Earnings before interest, taxes (EBIT)		**(3,743)**	**(1,585)**
Finance income	7.u)	222	32
Finance expenses	7.u)	(3,291)	(1,842)
Earnings before taxes (EBT)		**(6,813)**	**(3,395)**
Income tax	7.v)	136	260
Net Profit/(Loss) for the period from continued operations		**(6,676)**	**(3,135)**
Profit/loss for the year from discontinued operations	7.w)	(85)	-
Net Profit/(Loss) for the period		**(6,761)**	**(3,135)**
Equity difference from currency translation		158	18
Total comprehensive income		**(6,603)**	**(3,116)**

The net result of the period is attributable to:			
Shareholders		(6,727)	(3,135)
Non-controlling interests		(34)	-
Total comprehensive income is attributable to:			
Shareholders		(6,569)	(3,116)
Non-controlling interests		(34)	-
Earnings per share in EUR			
Undiluted		(0.03)	(106.46)
Diluted		(0.03)	(106.46)

Consolidated statement of changes in equity

from January 1 to December 31, 2024

	Issued Capital kEUR	Capital reserve kEUR	Reverse acquisition reserve kEUR
As of 31.12.2022	**29**	**17,580**	**-**
Translation movements	-	-	-
Profit/loss for the period	-	-	-
As of 31.12.2023	**29**	**17,580**	**-**
Capital Increase - Convertible bond	8,138	-	-
Capital increase - contribution in kind	170,597	-	-
Capital increase - directly attributable costs	-	-	(455)
Issue of shares at premium	96	18,129	-
Conversion of loan to equity	-	(824)	-
Reverse acquisition adjustment	53,923	-	(167,514
Profit/loss for the period	-	-	-
As of 31.12.2024	**232,783**	**34,885**	**(167,969)**

Retained earnings kEUR	Currency translation reserve kEUR	Equity attributable to shareholders of the parent company kEUR	Non-controlling shareholders kEUR	Own shares kEUR	Total kEUR
(3,431)	**46**	**14,225**	**-**	**-**	**14,225**
(35)	(63)	(98)	-	-	(98)
(3,135)	-	(3,135)	-	-	(3,135)
(6,601)	**(17)**	**10,992**	**-**	**-**	**10,992**
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	16	(113,574)	(1,378)	-	(114,952)
(6,727)	142	(6,586)	(34)	-	(6,619)
(13,328)	**141**	**86,513**	**(1,412)**	**-**	**85,101**

Consolidated cash flow statement

from January 1 to December 31, 2024

	Notes	01.01.-31.12.2024 kEUR	01.01.-31.12.2023 kEUR
Cash flow from operating activities			
Earnings before income taxes		(6,813)	(3,395)
Depreciation and impairment of fixed assets	7.a) & 7.b)	12,083	1,474
Financial income and expenses	7.u)	3,069	688
Other non-cash income and expenses	7.n)	(991)	190
Cash flow before changes of net working capital		**7,349**	**(1,042)**
Increase/decrease in provisions, trade and other payables		(1,628)	(685)
Increase/decrease in trade and other receivables		(3,095)	1,513
Increase/decrease in other assets		-	(1,802)
Income taxes (paid)/received		(9)	(31)
Interest paid		-	-
Operating cash flow		**2,618**	**(2,048)**
Cash flow from investing activities			
Proceeds from disposal of financial assets		-	-
Payments for investment in intangible assets	7.a)	(4,419)	(1,885)
Payment from money market funds		-	-
Payments/Proceeds for investments in financial assets		-	-
Proceeds from acquisitions		6,136	-
Costs related to reverse merger		(455)	
Payments for investments in property, plant and equipment	7.b)	(26)	(34)
Proceeds from disposals of property, plant and equipment	7.b)	-	-
Investing cash flow		**1,236**	**(1,919)**
Cash flow from financing activities			
Proceeds from convertible bonds		8,189	-
Proceeds from loans		1,633	920
Repayment of loans		(8,723)	(976)
Repayment of lease liabilities		(646)	(282)
Repayment of interest on loans		(1,020)	(64)
Financing cash flow		**(566)**	**(402)**
Net increase in cash and cash equivalents		**3,288**	**(4,369)**
Cash and cash equivalents: At the beginning of the period	7.f)	5,943	10,312
At the end of the period	**7.f)**	**9,231**	**5,943**

NAGA
Trade
Invest
Crypto
Pay
Social hub
Offering
Resources
Company
Partnerships
Login
Get started
One app. Everything trading
4000+ of your favourite assets, superior charts, and advanced trading tools to help you get ahead.
Start trading
Backed by Top Investors:
APEIRON
FOSUN
One app. Multiple ways to trade
Experience trading excellence on the go, from any browser or desktop, with NAGA's Web Trader and Mobile Apps. Trade
Macbook Pro
NAGA
One app. Everything trading
4000+ of your favourite assets, superior charts, and advanced trading tools to help you get ahead.
Start trading

Notes to the consolidated financial statements

Notes to the consolidated financial statements

1. COMPANY DETAILS

These consolidated financial statements are the consolidated financial statements of The Naga Group AG („Naga AG") and its subsidiaries (collectively: „Group" or „NAGA"). Naga AG has its registered office in Hamburg, Suhrenkamp 59, Germany (Hamburg Local Court, HRB 136811). As of December 31, 2024, the shares of Naga AG are listed on the Frankfurt Stock Exchange in the open market in the "Basic Board" segment.

The Group's business activities include providing a social trading platform that enables users to interact and share insights while investing directly in a wide range of instruments, from equities to indices, ETFs, and more.

Margin or leveraged trading is highly popular on the platform and is further supported by a robust offering of spot cryptocurrency trading on the Group's proprietary exchange, which features peer-to-peer transfers and Visa-enabled payments, both online and offline.

In 2024 The NAGA Group AG completed its acquisition with the Key Way Group Ltd. ("Key Way Group") via a reverse merger. From a legal perspective, NAGA AG is considered the legal acquirer and parent company. The Key Way Group is considered to be the legal subsidiary. However, from an accounting perspective the merger is presented as a reverse acquisition in accordance with IFRS 3. Thus, the Key Way Group is the accounting acquirer while the NAGA AG is the accounting acquiree. Correspondingly the consolidated financial statements are a continuation of the previous consolidated financial statements of the Key Way Group.

As a result, the comparative information of the Group is presented in these consolidated financial statements as follows:

The financial positions as at December 31, 2023 represent the consolidated financial positions of the Key Way Group as the accounting acquirer; whereas the consolidated financial positions ending December 31, 2024 include merged entities combined.

The consolidated financial statements were submitted to the Supervisory Board for publication on 28 May 2025.

2. BASIS OF THE PREPARATION

NAGA is currently not required to prepare consolidated financial statements in accordance with IFRS, as it trades on the over-the-counter market (Basic Board segment). However, NAGA has made use of its right of choice pursuant to Section 315e (3) of the German Commercial Code (HGB) and voluntarily prepares consolidated financial statements in accordance with IFRS.

The consolidated financial statements have been prepared in accordance with Section 315e of the German Commercial Code (HGB) and are in accordance with the International Financial Reporting Standards (IFRS) as applied in the European Union (EU).

The requirements of the standards applied have been met, so that a true and fair view of the net assets, financial position and results of operations is conveyed. NAGA's consolidated financial statements were prepared under the assumption of going concern. The valuation is based on historical acquisition costs with the exception of derivatives.

The financial statements of the subsidiaries are prepared using uniform accounting and valuation policies. The total cost method was chosen for the consolidated statement of comprehensive income.

The consolidated financial statements are prepared in EUR, the Group's functional currency. Unless otherwise stated, the financial information is rounded to the nearest thousand (EUR thousand), which may result in rounding differences.

3. ERROR CORRECTION

During the year ended 31 December 2024, NAGA identified an error in the calculation of expected credit losses („ECL") relating to other current assets and affiliate receivables as at 31 December 2022. The error arose due to incorrect application of loss rates. In accordance with IAS 8 „Accounting Policies, Changes in Accounting Estimates and Errors", the error has been corrected retrospectively.

The error relates to a receivable arising from a discontinued business partnership in 2021, which had a low probability of recovery. This balance was inadvertently not impaired or provisioned in previous years. Comparative information has been restated, and the opening balances as at 1 January 2023 have been adjusted accordingly.

The impact of the restatement on the 2023 financial statements is as follows:

- Other current assets and affiliate receivables have been reduced by EUR 997,943.86
- Retained earnings have been reduced by EUR 997,943.86

4. CONSOLIDATION

The consolidated financial statements comprise the financial statements of The Naga Group AG and its subsidiaries as of December 31, 2024.

The scope of consolidation has changed compared to the 2023 financial year in such a way that the Key Way Group has been acquired through the process of a reverse merger and is therefore shown in the consolidated balance sheet as of December 31, 2024 Furthermore, NAGA Fintech Co. Ltd was liquidated and is therefore no longer shown in the consolidated balance sheet as of December 31, 2024.

Overview of NAGA's scope of consolidation as of December 31, 2024

Company	Main business activity		Holding 31.12.2024	Holding 31.12.2023
The NAGA Group AG	Holding of Investments	Hamburg, Germany	100 %	0 %
NAGA Markets Europe Ltd	Securities Trading	Limassol, Cyprus	100 %	0 %
NAGA Global LLC	Securities Trading	Kingstown, Saint Vincent and the Grenadines	100 %	0 %
NAGA Capital Ltd	Securities Trading	Mahe, Seychelles	100 %	0 %
NAGA Technology GmbH	Software Development	Hamburg, Germany	100 %	0 %
Hanseatic Brokerhouse Securities AG	Holding of Investments	Hamburg, Germany	60 %	0 %
NAGA Virtual GmbH	Software Development	Hamburg, Germany	100 %	0 %
NAGA Pay GmbH	Mobile Bank	Hamburg, Germany	100 %	0 %
NAGA Pay (CY) Ltd	Internal Services	Limassol, Cyprus	100 %	0 %
NAGA Global (CY) Ltd	Internal Services	Nicosia, Cyprus	100 %	0 %
NG Global West Africa Ltd	Sales Company	Lagos, Nigeria	99 %	0 %
NAGA Fintech Co	Sales Company	Bangkok, Thailand	0 %	0 %
NAGA X Ltd	Trading with crypto-currencies	Limassol, Cyprus	100 %	0 %
NAGA Pay UK Ltd	Sales Company	London, UK	100 %	0 %
Key Way Group Ltd	Holding company	Gibraltar, Gibraltar	100 %	100 %
KW Investments Ltd	Securities Trading	Mahe, Seychelles	100 %	100 %
Key Way Solutions Ltd	Payment agent	Limassol, Cyprus	100 %	100 %
JME Financial Services (PTY) Ltd	Securities Trading	KwaZulu-Natal, South Africa	100 %	100 %
Key Way Markets Ltd	Securities Trading	Abu Dhabi, UAE	100 %	100 %
Key Way Services Srl	Internal Services	Bucharest, Romania	100 %	100 %
Key Way Investments Ltd	Securities Trading	Nicosia, Cyprus	100 %	100 %
Neotrades Capital Ltd	Securities Trading	Port Louis, Mauritius	100 %	0 %
Ntrade Services Ltd	Payment agent	Nicosia, Cyprus	100 %	0 %

Apart from NAGA Pay UK LTD., NG Global West Africa Ltd, Key Way Markets Ltd, Key Way Services Srl and Neotrades Capital Ltdthe functional currency of the subsidiaries is EUR. The functional currency of NAGA Pay UK LTD. is GBP, for NG Global West Africa is the NGN, for Key Way Markets Ltd and Neotrades Capital Ltd is the USD and for Key Way Services Srl is the RON.

The companies

- Naga Technology GmbH, Hamburg
- Naga Pay GmbH, Hamburg and
- Naga Virtual GmbH, Hamburg

make use of the exemptions pursuant to Section 264 (3) of the German Commercial Code (HGB).

The shareholding corresponds to the voting rights quota.

5. ESTIMATES AND ASSUMPTIONS AND ACCOUNTING POLICIES

The Management Board uses assumptions and estimates when preparing consolidated financial statements in accordance with IFRS. These assumptions and estimates are made to the best of our knowledge in order to give 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 estimation uncertainties relating to individual balance sheet items as well as accounting and valuation policies are presented in Note 6 for the respective balance sheet item and under Note 9 for financial management.

With regard to the business model, the following accounting policies in particular are significantly affected by estimates and exercises of discretion:

a) Impairments

At each reporting date, property, plant and equipment and intangible assets are checked by comparing the recoverable amount and book value to determine whether there are indications of an impairment that has occurred. Examples include a changed regulatory environment or insufficient customer acceptance. If the recoverable amount cannot be determined at the level of the individual asset, the determination is carried out at the level of the cash-generating unit („CGU") to which the respective asset is assigned. The distribution is made on an appropriate and steady basis to the individual CGUs or to the smallest group of CGUs. For NAGA, the brokerage business was identified as the central CGU. The brokerage business includes all activities related to brokerage with CFDs and shares as well as the associated services. The goodwill as at the reporting date is fully allocated to the Brokerage CGU.

In the case of intangible assets with an indefinite useful life or intangible assets that have not yet been used, an impairment test is carried out at least annually and additionally in the event of indications of impairment („triggering event"). As in the previous year, there was no indication of an impairment in the 2024 financial year with regard to intangible assets that have not yet been used. With regard to the impairment of goodwill, we refer to the following statements.

Goodwill is the excess of the acquisition cost over the fair value of the group's shares in the net assets of the acquired company at the time of acquisition. Goodwill resulting from the acquisition of a company is classified as intangible assets. Capitalized goodwill is not amortized as planned, but is subject to an impairment test at least once a year and on an ad hoc basis on the basis of the CGU to which it is allocated. As part of the impairment tests, it is checked whether the recoverable amount exceeds the carrying amount of the tested units, including the goodwill attributed to them. As of December 31, 2024, CGU Brokerage has goodwill.

The impairment test of the goodwill of CGU Brokerage is based on the fair values less costs to sell. This is calculated on the basis of a discounted cash flow method (DCF method) in which the forecasted cash flows, derived from the multi-year planning adopted by management, are discounted at a discount rate determined for the term and risk. The planning covers the following years for a period of five years. This is followed by the perpetual annuity. The valuation method used to determine fair values is to be assigned to level 3 of the hierarchy for determining fair values.

Basic assumptions for the calculation of fair value and sensitivity analysis to assumptions made

The main assumptions made for the detailed planning period take into account in particular the assessment of the future development of trading revenues and costs as well as the resulting derivation of earnings before interest and taxes (EBIT) and the discount rate. Based on management's assumptions, the average EBIT for the planning period 2025–2029 amounts to approximately EUR 35 million.

The data used by management is based on empirical values from previous financial years, as well as on internal analyses and forecast calculations. The management bases its planning on its own assessments, as NAGA is moving in a new FinTech segment, „social trading" or „social investing". No external sources could be used for the planning, as such sources do not exist or existing sources refer to non-comparable business areas and companies.

NAGA continues to expect business growth in the pcomming period. Growth in new target markets outside the EU (especially Southeast Asia, Latin America and the Middle East) is of particular importance. In these target markets, the company expects growth rates to be significantly higher than those of the EU markets, in which the company has been mainly active to date, due to the market conditions there.

The main planning parameters on which trading revenues are based are the following for CGU Brokerage:

- Number of active customers,
- Average net deposits,
- Acquisition costs per customer, and
- Discount rates.

Simulations performed internally by Management confirm that an adjustment of 1% in the discount rate of or a variation of between 0.5%-1% in the terminal growth rate do not result in any impairment indication of the CGU. Furthermore Management confirms that data and assumptions used in the impairment test are complete and accurate in accordate with reporting standards and the methodology followed is consistent with previous years.

Discount rates and perpetual annuity

The discount rates represent the current market views with regard to the specific risks; this takes into account the interest rate effect and the specific risks of the asset for which the estimated future cash flows have not been adjusted. The calculation of the maturity-appropriate discount rate takes into account the specific circumstances of the Group and its business segment as well as the return expectations of the equity investors.

The segment-specific risk is included through the application of individual beta factors. Beta factors are determined annually based on publicly available market data.

In the perpetual annuity, the management expects moderate growth overall. In each case, a capitalisation interest rate with a growth discount of 1% per year was applied. The calculation of the cash flows was based on empirical values and takes into account future developments. Risk-oriented, market-driven interest rates were used to determine fair value less cost to sell. The discount rate is 14.84%.

b) Development

The Group invests in software development based on management's assessment that technical and economic feasibility has been clearly established. These investments are strategically focused on enhancing the platform's performance, driving operational efficiency, and advancing automation and support tools all aimed at reinforcing the Group's long-term growth and value creation.

During the year, the Group invested a total of EUR 3,996 thousand in such projects. Of that amount EUR 1,424 thousand related to activated programming services. As at 31 December 2024 the book value of these services amount to EUR 2,396 thousand.

c) Customer Acquisition Costs

The Group treats costs related to acquiring new customers through affiliate marketing as intangible assets, reflecting their direct attribution to identifiable clients and management's expectation that the resulting revenue will at least offset the associated acquisition costs.

Historical data indicates that newly acquired clients typically remain active on the NAGA platforms for an average of 36 months. As a result, the amortization period for these customer acquisition costs has been aligned accordingly.

d) Taxes

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

Deferred tax assets are recognised for unused tax losses to the extent that it is likely that taxable income will be available for them, so that the loss carried forward can actually be used. Determining the amount of deferred tax assets that can be capitalized requires a substantial exercise of discretion by management regarding the expected time of occurrence and the amount of future taxable income, as well as future tax planning strategies.

As of 31 Dec. 2024, the Group companies had in total tax loss carry forwards for corporate income tax purposes of EUR 75,512 thousand and for municipal tradetax purposes of EUR 53,936 thousand.

As at the reporting date, the Group had deferred tax assets amounting to EUR 1,969 thousand.

The table shows the information of these deferred tax assets and how they originated:

Deferred tax	31.12.2024 kEUR	31.12.2023 kEUR
Accelerated capital allowances	(80)	(164)
Tax losses carried forward	2,049	1,789
Provision for deferred tax	**1,969**	**1,625**

	31.12.2024 kEUR
At 1 January 2024	(1,625)
Credited to the profit and loss account	(344)
At 31 December 2024	**(1,969)**

e) Financial instruments

Financial assets and liabilities are recognised when the group has a contractual right to receive cash or other financial assets from another party, or where there is a contractual obligation to transfer financial assets to another party. Financial assets and financial liabilities are recognised from the date on which the Group becomes a party to the financial instrument. Financial assets that are acquired or sold in accordance with market practice are generally recognised on the trading day.

In addition to trade receivables and payables, NAGA primarily reports derivative financial instruments and loan liabilities. For more details, please refer to Note 9.

6. CHANGES IN ACCOUNTING POLICIES - CHANGED STANDARDS AND INTERPRETATIONS

In the 2024 financial year, the following new standards or changes to standards or interpretations will be mandatory for the first time.

The following new or amended standards have been effective since 1 January 2024:

- **Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants –** Amendments to IAS 1:
  These amendments clarify the criteria for classifying liabilities as current or non-current, particularly concerning covenants.

- **Lease Liability in a Sale and Leaseback** – Amendments to IFRS 16:
  These amendments provide guidance on accounting for sale and leaseback transactions, ensuring that the seller-lessee does not recognise any gain or loss relating to the right of use it retains.

- **Supplier Finance Arrangements** – Amendments to IAS 7 and IFRS 7:
  These amendments require entities to disclose information that enables users of financial statements to understand the effects of supplier finance arrangements on an entity's liabilities and cash flows.

- **International Tax Reform – Pillar Two Model Rules** – Amendments to IAS 12: These amendments introduce a temporary exception to the accounting for deferred taxes arising from the implementation of the OECD's Pillar Two model rules.

The following standards have been issued but not yet made effective:

- **Lack of Exchangeability** – Amendments to IAS 21:
  Effective for annual periods beginning on or after 1 January 2025, these amendments provide guidance on how to determine the exchange rate when a currency is not exchangeable.

- **Amendments to the Classification and Measurement of Financial Instruments** – Amendments to IFRS 9 and IFRS 7:
  Effective for annual periods beginning on or after 1 January 2026, these amendments address issues related to the classification and measurement of financial instruments, including those with ESG-linked features.

- **Annual Improvements to IFRS Accounting Standards – Volume 11:**
  Effective for annual periods beginning on or after 1 January 2026, this cycle of improvements includes amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10, and IAS 7, aiming to clarify wording and correct minor unintended consequences.

- **IFRS 18 – Presentation and Disclosure in Financial Statements:**
  Issued in 2024 and effective for annual periods beginning on or after 1 January 2027, IFRS 18 replaces IAS 1 and aims to improve the structure and content of financial statements.

- **IFRS 19 – Subsidiaries without Public Accountability: Disclosures:**
  Effective for annual periods beginning on or after 1 January 2027, IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements.

NAGA does not expect any impact from the future innovations and changes to the above standards. Furthermore, NAGA will only implement the innovations with mandatory initial application.

During 2024 no new accounting policies have been implemented. NAGA will only implement the amendment with mandatory initial application.

7. NOTES ON INDIVIDUAL ITEMS IN THE CONSOLIDATED BALANCE SHEET AND THE CONSOLIDATED STATEMENT OF COMPREHEN-SIVE INCOME

BALANCE SHEET

a) Intangible assets

Software, licenses and industrial property rights acquired for consideration are accounted for at cost and amortised on a straight-line basis over the expected useful life of three to five years. The amortisation period for intangible assets with a limited useful life is reviewed at least at the end of each financial year. An annual impairment review is carried out for goodwill, intangible assets and intangible assets that are not yet ready for use. If an asset does not generate cash inflows that are largely independent of the cash inflows of other assets or groups of assets, the impairment test is not carried out at the level of an individual asset, but at the level of the cash-generating unit. To estimate the impairment charge, the fair values less costs to sell are determined using the discounted cash flow method. The calculation is based on current business planning, a long-term growth rate of 1% and a discount rate (after tax) of 14.84%.

Intangible assets in the 2024 financial year and the previous year are as follows:

31.12.2024

in kEUR	Cost as of 01.01.2024	Additions	Additions to business acquisitions	Disposals
Goodwill	-	24,267	94,863	-
Software and technology	3,592	2,572	22,295	-
Capitalized programming services	-	1,424	18,211	-
Patents	54	-	-	-
Other intangibles	501	423	13,811	-

in kEUR	Cost as of 31.12.2024	Cumulative amortization as of 31.12.2024	Book value as of 31.12.2024	Amortization charge for 2024
Goodwill	119,130	57,000	62,130	-
Software and technology	28,459	21,747	6,712	3,431
Capitalized programming services	19,635	17,239	2,396	4,915
Patents	54	54	-	-
Other intangibles	14,735	13,679	1,056	2,860

31.12.2023

in kEUR	Cost as of 01.01.2023	Additions	Additions to business acquisitions	Disposals
Goodwill	-	-	-	-
Software and technology	2,174	1,418	-	-
Patents	54	-	-	-
Other intangibles	34	467	-	-

in kEUR	Cost as of 31.12.2023	Cumulative amortization as of 31.12.2023	Book value as of 31.12.2023	Amortization charge for 2023
Goodwill	-	-	-	-
Software and technology	3,592	731	2,862	1,153
Patents	54	54	-	-
Other intangibles	501	424	77	-

Goodwill

On 1st January 2024, Key Way Group Ltd acquired, via a reverse merger, 100% of the issued share capital of The NAGA Group AG, for a total consideration of EUR 55,723 thousand payable in equity. The purpose of the merger was for the two Groups to join forces and benefit from the diversified geographical presence, innovative technologies as well as synergies arising from the combination of the two Groups.

The acquisition was accounted for using the acquisition method in accordance with IFRS 3 Business Combinations.

Details of the Purchase Consideration:

Component	Amount in kEUR
Cash	0
Equity Instruments	55,723
Contingent Consideration	
Total Consideration Transferred	**55,723**

Identifiable Assets Acquired and Liabilities Assumed:
The following table summarizes the recognized amounts of assets acquired and liabilities assumed at the acquisition date:

Item	Fair Value in kEUR
Property, Plant and Equipment	475
Intangible Assets	51,866
Right of use Assets	92
Financial and other assets	143
Trade and Other Receivables	197
Other current assets	2,177
Cash and Cash Equivalents	4,937
Loans and borrowings	7,125
Trade and Other Payables	3,365
Lease liabilities	91
Tax accruals	26
Other accruals	825
Total Identifiable Net Assets	**48,455**
Goodwill Arising on Acquisition	**7,268**

Goodwill of EUR 7,268 thousand was recognized as the excess of the consideration transferred over the net identifiable assets acquired.

Description	Amount in kEUR
Consideration Transferred	55,723
Less: Net Identifiable Assets	(48,455)
Goodwill	**7,268**

From the acquisition date to 31 December 2024, The NAGA Group has contributed revenue of EUR 27,355 thousand and net loss of EUR 6,050 thousand to the Group. Furthermore, effectively from 1 January 2024, the Group acquired 100% of the issued share capital of Neotrades for a total consideration of EUR 17,375,566 (USD 19,200,000). The aim of the merger was to combine the strengths of the two groups and to benefit from the diversified geographical presence, innovative technologies and the synergies resulting from the merger of the two groups.

The consideration price was settled with share exchange at a premium. The difference between the consideration and the book value of the company on acquisition date is the resulting Goodwill.

	Amount in kEUR
Fair value of consideration	17,375,566
Subscribed capital	(50,774)
Retained earnings	(325,796)
Balance at 31 December	**16,998,996**

The pre acquisition reserve is composed by the retained earnings of Ntrade Services Ltd in an amount of EUR 17,894 and of Neotrades Capital Ltd in an amount of EUR 307,902 (USD 340,323).

From the date of acquisition until 31 December 2024, Neotrades contributed revenues of kEUR 6,954 and a net profit of kEUR 2,293 to the Group.

The remaining balance under Goodwill amounts to ca. EUR 38 million and relates to the acquiring of 60% of HBS AG in 2018 amounting generating a goodwill of ca. EUR 95 million which was impaired in 2023 by EUR 57 million.

Software and technology

The ‚Software and Technology' category reflects the Group's cumulative investments in proprietary platforms and related technological developments. Operating in a fast-paced and innovation-driven industry, the Group recognizes the necessity of ongoing R&D investment to maintain its competitive edge. This category encompasses key platforms such as NAGA Trader, NAGA X, and NAGA Pay, as well as Swipy Technology, support tools, and other technology-driven initiatives.

Other intangibles

In the 2024 financial year, investments in other intangibles not relating to software and technology amounting to EUR 423 thousand (previous year: EUR 467 thousand) were recognized.

b) Property, plant and equipment

Property, plant and equipment that is used for more than one year and is subject to wear and tear is measured at amortised cost. Property, plant and equipment are depreciated on a straight-line basis over the economic useful life of three to eight years. Maintenance and repair costs are continuously recorded in the expense. Depreciation on the recoverable amount is made if there are signs of impairment and the recoverable amount is below the amortized cost. As in the previous year, such indicators were not available in the 2024 financial year.

Property, plant and equipment includes office and business equipment.

31.12.2024

in kEUR	AC as of 01.01.2024	Additions	Additions to business acquisition	Disposals
Other plant and equipment, fixtures and fittings	577	26	1,305	161
Fixed assets	**577**	**26**	**1,305**	**161**

in kEUR	AC as of 31.12.2024	Cumulative depreciation as of 31.12.2024	Book value as of 31.12.2024	Depreciation and amortization in the 2024 financial year
Other plant and equipment, fixtures and fittings	1,747	1,350	397	198
Fixed assets	**1,747**	**1,350**	**397**	**198**

31.12.2023

in kEUR	AC as of 01.01.2023	Additions	Additions to business acquisition	Disposals
Other plant and equipment, fixtures and fittings	565	34	-	22
Fixed assets	**565**	**34**	**-**	**22**

in kEUR	AC as of 31.12.2023	Cumulative depreciation as of 31.12.2023	Book value as of 31.12.2023	Depreciation and amortization in the 2024 financial year
Other plant and equipment, fixtures and fittings	577	481	95	65
Fixed assets	**577**	**481**	**95**	**65**

c) Rights of use

The Group recognizes rights of use from the commencement date of the lease. These assets are initially measured at cost, net of accumulated depreciation and amortization, and adjusted for any subsequent changes in the corresponding lease liability. Rights of use are depreciated on a straight-line basis over the estimated useful life of the underlying asset

As of the balance sheet date, the asset recognized on the balance sheet with respect to rights of use are as follows:

	in kEUR
Initial assessment	**907**
Accumulated depreciation	181
Net Book value 31.12.2023	**726**
Additions	805
Additions to business acquisitions	92
Depreciation	640
Net book value 31.12.2024	**984**

d) Financial and other assets and current assets

in kEUR	**31.12.2024**	**31.12.2023**
Investor Compensation Fund	157	43
Fixed deposit		1,777
Other	63	124
Total Long term	**220**	**1,944**
Taxes receivables	175	243
Prepayments and deposits	2,995	541
Fixed deposit	2,019	0
Inventory and finished products	366	0
Investments in progress	422	0
Other	258	103
Total Short-term	**6,234**	**887**
Total	**6,454**	**2,831**

The obligation to deposit funds with the Investor Compensation Fund stems from regulatory requirements of the Cyprus Securities and Exchange Commission („CySEC").

The fixed deposit will mature in June 2025 and has therefore been classified as a current financial asset as at 31 December 2024. The deposit bears an interest of 4.25 % per annum.

Investments in progress represents the first tranche paid by the Group for the acquisition of FCA Licensed, UK entity, Trade Capital (UK) Ltd. The acquisition has not yet been finalized as it is pending regulatory approval.

Prepayments and deposits include overpayments in the amount of EUR 1,662 thousand against a UK regulated electronic money institutions that ceased its services to the Group in January 2021. The Group has retrospectively re-assessed its expected credit losses from the counterparty and has made a provision against this receivable in the amount of EUR 1,097 thousand. The net amount included current assets is approximately EUR 600 thousand. The remaining amount mainly relates to marketing and branding campaigns for which the Group has paid in 2024 such as the payment to NAGA Ambassador, Mike Tyson.

Advances mainly relate to short-term loans granted to third parties with which the Group works and will be netted off against future period services.

Credit quality of financial assets

The credit quality of financial assets that are neither overdue nor overdue but not impaired in value can be assessed through external information, such as credit ratings or experience of default risks. In cases where no rating is available, the Company makes an assessment of future risks based on historical experience with the partner and known circumstances.

e) Trade receivables

Trade receivables are generally recognised at the nominal amount and amount to EUR 1,801 as of the reporting date (previous year: EUR 1,740 thousand)

f) Cash and cash equivalents

Cash and cash equivalents amount to EUR 9,231 thousand that can be called at short notice (previous year: EUR 5,943 thousand).

Within the balance of cash and cash equivalents, there is an amount of EUR 6,563 thousand (2023: EUR 2,203 thousand) which is held within the off-balance sheet clients' bank accounts. This balance is available to withdraw at any time.

The Group has amended the way it presents its cash and cash equivalents to include amounts held within off-balance sheet accounts. The below table summarises the changes made to 2023 figures:

in kEUR	**As previously reported**	**Adjustment**	**Amended**
Trade receivables	3,245	(1,505)	1,740
Cash and cash equivalents	4,438	1,505	5,943

The amounts of cash and cash equivalents included in the cash flow statement correspond to the corresponding item on the balance sheet.

g) Deferred tax assets and liabilities

In the 2024 financial year, there are temporary differences in balance sheet items, mainly arising from development expenditure, which lead to the deferred tax asset recognised:

in kEUR	31.12.2024	31.12.2023
Deferred tax asset - brought forward	1,625	1,334
Deferred tax - current	344	291
Total	**1,969**	**1,625**

The deferred tax asset originates from Key Way Group Ltd. The Company is tax resident in Gibraltar where assessable income is taxed at the rate of 15% (2023: 12,5%). The Company has incurred tax losses during the year and there are tax losses from prior year so has no current tax liabilities at year end.

h) Other non-current and current liabilities

Non-current liabilities

As at 31 December 2024 the Group's non-current liabilities related to leasing liabilities amounting to EUR 328 thousand.

Other current liabilities

Other current liabilities, some of which are financial, are made up as follows:

in kEUR	31.12.2024	31.12.2023
Short-term loans	2,236	1,756
Salaries and wages	485	101
Other	803	453
Total Short-term	**3,524**	**2,310**

Short-term loans

As at the reporting date the Group owed EUR 2,236 thousand in loans (EUR 1,756 thousand).

1. Netcore Investments Limited credit facility
   In October 2024 the Group entered into a USD 10M credit facility with its majority shareholder bearing an interest of 10.3% per annum.
   In December 2024, the Group had drawn USD 1M from the facility bearing an interest of 12.5%.

2. Shareholder loan
   In June 2023, the Group entered into a shareholder loan agreement for USD1M bearing an annual interest of 10%. As at December 2024 the loan was almost fully repaid.

3. Interest bearing loan
   In June 2023, Key Way Markets refinanced the loan from Emirates NBD bank. The principal amount of the loan was USD 1.770 thousand and is repayable in tranches bearing an effective interest of 6.01% per annum. The loan is secured against the fixed deposit.

Payables from wages and salaries

The liabilities from wages and salaries are mainly still the outstanding wage tax and social security contributions.

The liquidity risk is explained in Note 10.

i) Lease liabilities

On the date of provision, the Group recognises the lease liability at the present value of the lease payments (rent payments) to be made over the term of the lease (lease) (for the rights of use associated therewith, please refer to Note 7c). Lease payments include fixed payments less any lease incentives to be obtained, variable lease payments linked to an index or (interest) rate, and amounts that are expected to have to be paid under residual value guarantees.

When calculating the present value of the lease payments, the Group uses its marginal borrowing rate at the date of commitment, as the interest rate underlying the lease cannot be easily determined. After the commitment date, the amount of lease liabilities is increased to account for the higher interest expense and decreased to reflect the lease payments made.

In addition, the Group is also making use of the exemption for short-term leasing contracts (the term of which is no more than twelve months from the date of provision). In addition, the exemption for leases based on a low-value asset will apply. Lease payments for short-term leases and leases based on a low-value asset are recognised as an expense on a straight-line basis over the life of the lease.

The Group has a lease agreement for office space in Cyprus, Romania, the Seychelles and in the UAE which must be considered in accordance with IFRS 16. The following table shows the development of the lease liability:

in kEUR	Office space	of which short-term	of which long-term
Lease liability as of 31.12.2022	**1,005**	**434**	**571**
Addition	-		
Rent payments	(282)		
Compounding	44		
Lease liability as of 31.12.2023	**767**	**421**	**346**
Addition	897		
Rent payments	(646)		
Compounding	36		
Lease liability as of 31.12.2024	**1,054**	**726**	**328**

The interest expense determined from the lease liability in 2024 amounting to EUR 36 thousand (2023: EUR 44 thousand) was taken into account in the consolidated income statement and is reported in financial expenses.

In addition, NAGA still has leases that are not shown on the balance sheet because they have a term of up to twelve months or are of low value. These rental and utilities expenses were recognized in other operating expenses.

short-term leases of up to one year and leases based on a low-value asset in kEUR	31.12.2024	31.12.2023
Office space	374	209

j) Tax liabilities

The tax liabilities mainly relate to current taxes on income of the Cypriot subsidiaries NAGA Markets Europe Ltd, NAGA X Ltd, Key Way Investments Ltd and Naga Global (CY) Ltd, the Romanian subsidiary, Key Way Services s.r.l, as well as the Mauritius and UAE subsidiaries, Neotrades Capital Ltd and Key Way Markets Ltd.

k) Other accruals

The recognition of provisions as a liability requires an assessment of the amount and probability of cash outflows. Any differences between the original assessment and the actual outcome may have an impact on the net assets, financial position and results of operations of the Group in the respective period. For all provisions, an outflow is generally expected within the following twelve months.

Provisions are recognised if the Group has current factual or legal obligations due to a past event, the outflow of resources with economic benefits to meet the obligation is probable and the amount of the obligation can be reliably estimated.

Provisions as at the end of 2024 amounted to EUR 412 thousand and mainly relate to audit fees accrued for the year as well as invoices received post-year end for services received during the year.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

l) Revenue recognition

Currently, NAGA generates revenue from brokerage, neo-banking and crypto exchange („Trading Revenue") Trading proceeds can have a negative balance if individual transactions lead to losses.

In the 2024 financial year, revenue is made up as follows:

in kEUR	2024	2023
Brokerage Business	63,096	34,194
Crypto exchange	23	0
Neo-banking	65	0
Revenues	**63,184**	**34,194**

Revenue is measured at fair value of the consideration received or expected and is recognised in cash and cash equivalents as they can be made immediately available for the ordinary course of business of the Group.

Revenue is realised as soon as it be reliably determined and there are no material obligations towards the customer and the recovery of the receivable can be regarded as probable. This assessment represents a discretion in which NAGA draws, among other things, on the experience of the senior employees with regard to the respective contribution and the amount of sales revenues. These are based on trading statistics from the company's own database, taking into account the requirements of the risk management department. The increase in data material due to the longer history and sales expansion leads to a steady improvement in assessments.

The following criteria apply to the realization of the respective transaction type:

Brokerage Business

Trading revenue from the brokerage business results from clients' trading in CFDs. NAGA acts as a counterparty to the trades executed by clients. In order to minimise risks, trading contracts are sometimes passed on to third parties (so-called liquidity providers).

The Group generates revenues primarily from flow management, commissions and swap interest income arising in connection with the Group's act as a market maker for trading CFDs. Trading revenues are made up as follows:

trading in the aforementioned financial instruments, and Commissions charged for CFDs.

Gains and losses from the valuation of open and closed positions as of the reporting date are recognised as trading revenues.

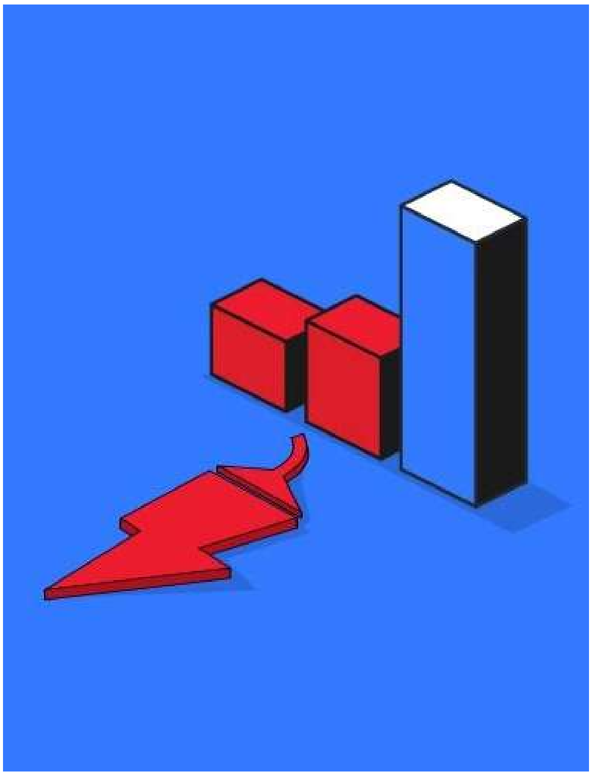
In the case of open positions, the profit or loss may differ significantly from the amount shown on the reporting date, as the underlying underlying of the trading contracts fluctuates over time and can significantly change the success of a trading contract. In the case of closed positions, the profit or loss – with the exception of credit risks – is largely fixed as a result of the risk minimisation strategy.

Neo-banking

NAGA Pay GmbH provides its customers with credit cards. Customers can choose between three different charts of accounts. There are monthly fees for the Premium and Elite Chart of Accounts. In addition, there are various fees when using the cards, such as withdrawing cash from ATMs. If the customer uses their credit card, they will receive a cashback in Bitcoin, depending on the chart of accounts and the amount of sales. These Bitcoins can be used directly to pay with the card or exchanged for FIAT currencies. There are also fees for using these features. Turnover is realised when services are provided.

m) Technology and Infrastructure

During the year, NAGA incurred total expenses of EUR 7,491 thousand in relation to its technological operations. Of this amount, approximately EUR 1,049 thousand was attributed to hosting, servers, and domain-related costs. An additional EUR 2,914 thousand (2023: EUR 374 thousand) was allocated to software licenses. The remaining expenditure was distributed across IT services and maintenance, amounting to approximately EUR 1,704 thousand (2023: EUR 851 thousand) and EUR 1,823 thousand, respectively.



n) Other operating income

Other operating income of EUR 991 thousand (previous year: EUR 174 thousand) is recognised on an accrual basis in accordance with the provisions of the underlying contracts. Other operating income mainly relates to the derecognition of liabilities and the reversal of provisions overestimated as well as income that is not directly related to the core activity of the Group including, but not limited to, sub-leasing of premises and license fees.

o) Development efforts

NAGA continues to make substantial investments in its technology and infrastructure in response to the rapidly evolving and innovation-driven nature of its industry. In 2024, the Group allocated a total of EUR 4 million towards these strategic initiatives. Approximately EUR 2.4 million was directed towards the development and enhancement of its core platform and technological capabilities. Of these EUR 2.4 million, an amount of EUR 1.4 million relates to activated programming services. The remaining EUR 1.6 million was invested in tools and systems aimed at driving automation and operational efficiency.

p) Execution and liquidity costs

The execution and liquidity costs of trading revenues of EUR 5,969 thousand (previous year: EUR 4,872 thousand) mainly include, among other things, hedging costs with liquidity providers and copy bonuses paid out to leaders.

q) Payment processing charges

Payment processing charges of EUR 3,574 thousand (previous year: EUR 1,343 thousand) are expenses borne by the Group from various payment service providers the Group works with facilitating the deposits and withdrawals of clients.

r) Employee benefits expense

As at the balance sheet date the Group had 259 full time employees.

As of the balance sheet date, the employees are distributed among the respective divisions as follows:

	2024	2023
Management Board	3	0
Customer experience & Journey	120	62
MarTech	45	32
Administration	14	10
Finance & Business Intelligence	23	10
Legal & Compliance	21	8
Top Management	12	11
HR	11	5
Dealing & Trading	10	7
	259	**145**

Employee benefits expense are as follows:

in kEUR	2024	2023
Wages and salaries	6,979	4,362
Social security costs	2,290	1,657
	9,269	**6,019**

s) Marketing & Branding and Operating expenses

NAGA's business model is designed for broad growth and requires a high level of marketing and advertising expenditure to sustainably attract customers.

Marketing and advertising expenses totalled EUR 23,826 thousand (previous year: EUR 18,524 thousand) of which the biggest portion allocates to marketing expenses amounting to approximately EUR 20,817 thousand (2023: EUR 16,671 thousand)whilst the remaining amount splits into professional fees as well as sponsorships and other marketing services in the amounts of EUR 1,752 thousand (2023: EUR 1,397) and EUR 1,257 thousand (EUR 455 thousand), respectively.

Other operating expenses include the following items:

in kEUR	2024	2023
Rent and utilities	374	209
Legal, audit and consulting fees	1,911	591
Traveling expenses	406	308
Communication expenses	857	577
Office and administrative expenses	671	89
Recruitment and training	185	125
Compliance and regulatory fees	578	176
Irrecoverable VAT	638	154
Other expenses	836	78
	6,456	**2,306**

The amount classified under „Other expenses" includes various other operating expens-es that do not fall under any of the above specific categories. These comprise, but are not limited to, subscriptions and contributions, insurance expenses, repairs and maintenance, miscellaneous one-off items, and gifts.

t) Business combination expenses

In 2024, NAGA undertook significant restructuring activities in connection with the strategic merger of operations across the Group. As part of this process, the Group incurred non-recurring expenses totalling EUR 674 thousand. These costs primarily relate to advisory fees, legal and regulatory support, internal reorganization, and integration planning.

Given their exceptional and one-off nature, these expenses have been presented separately on the face of the Income Statement under "Business Combination expenses".

This presentation aims to enhance the transparency of the Group's financial reporting and to provide shareholders and other stakeholders with a clearer view of NAGA's underlying operational performance, excluding the impact of these non-operational and non-recurring items.
The separate disclosure of these costs is consistent with the Group's financial reporting policy and aligns with best practices for clarity and comparability in periods involving significant corporate restructuring or business combinations

u) Financial income and expenses

Interest is recognised taking into account the accrual and in accordance with the effective interest method.

The financial result includes financial expenses of EUR 3,291 thousand (previous year: EUR 1,842 thousand) and financial income of EUR 222 thousand (previous year: EUR 32 thousand). Discounting in accordance with IFRS 16 via leases is also taken into account here.

v) Taxes on income and earnings

Taxes are generally recognised in profit or loss. Current taxes are calculated on the basis of the profit or loss in the financial year, which is calculated in accordance with the applicable tax regulations.

Deferred taxes are accrued from temporary differences between the values for existing assets and liabilities used in the consolidated financial statements and the taxable values.

Taxes on income in the 2024 financial year are made up of deferred taxes on the one hand deriving from Key Way Group Ltd (Gibraltar) and current taxes on the other hand arising mainly from the Cyprus subsidiaries, NAGA Markets Europe Ltd, NAGA Global (CY) Ltd, Key Way Investments Ltd and NAGA X Ltd as well as Neotrades Capital Ltd (Mauritius), Key Way Markets Ltd (UAE) and Key Way Services s.r.l Ltd (Romania) . The information on the valuation of deferred taxes can be found in Section 5 d).

Deferred tax assets and liabilities are offset when there is a legally enforceable claim, actual tax assets are to be offset against actual tax liabilities, and when the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority for the same tax entity or for different taxpayers, if the balance is payable on a net basis.

The tax expense in the 2024 financial year is made up as follows:

in kEUR	2024
Current income taxes	208
Income from deferred taxes	-344
Expense from deferred taxes	
Income taxes according to the statement of comprehensive income	**-136**

The below table shows the reconciliation of the tax expense and the accounting profit multiplied by the relevant domestic tax rate of each of the Group's companies:

in EUR	31.12.2024	31.12.2023
Profit on ordinary activities before tax	(6,812,661)	(3,394,577)
Tax calculated at the applicable tax rates (-14,7%)	998,743	(283,022)
Effects of:		
Expenses not deductible for tax purposes	1,586,209	69,654
Allowance and income not subject to tax	(2,693,666)	(40,037)
Effect of previously unrecognized tax losses	(35,981)	(11,398)
Effect of higher tax rates in the country of subsidiaries	4,665	4,843
Withholding taxes not yet refunded	3,551	
Total	**(136,479)**	**(259,960)**

In Germany, as in the previous year, the calculation of current taxes is based on a corporate tax rate of 15% and a solidarity surcharge of 5.5%. In addition, as in the previous year, trade tax will be levied on profits generated in Germany in accordance with the Hamburg assessment rate of currently 470%. The total tax rate applied is 32.275%, as in the previous year. The difference to the income taxes calculated for the entire group results from different tax rates for foreign companies

1. Key Way Group Ltd.: 15%,
2. Naga Markets Europe Ltd., Naga Global (CY) Ltd., Naga X Ltd.: 12.5%
3. NG West Africa Ltd.: 30% corporation tax, 3% Tertiary education tax

and the fact that some of the group companies generate profits, while others generate losses without the possibility of offsetting losses against profits within the group across borders.

w) Profit/loss from discontinued operations

In 2024, the Group recorded a one-off write-off of a receivable amounting to EUR 85 thousand, related to a past commercial arrangement with a former business partner. The receivable was originally associated with a joint initiative aimed at expanding into a new market, which was subsequently discontinued.

Given its non-recurring nature, the amount is presented separately in the Income Statement to provide a clearer view of the Group's ongoing operating performance and improve comparability across periods.

8. EARNINGS PER SHARE

As of December 31, 2024, the shares of Naga AG are listed on the over-the-counter market of the Frankfurt Stock Exchange. Since this is not an organized market within the meaning of Section 2 (5) of the WpHG, earnings per share are not mandatory. In order to transparently present NAGA's profitability, a result is voluntarily determined in accordance with IAS 33.

Basic earnings per share are determined by dividing the net income for the period attributable to the ordinary shareholders of Naga AG by the average number of shares. Basic earnings for the 2024 financial year amounted to EUR -0.03 (previous year: EUR -105.84).

	2024	2023
Net income for the period attributable to shareholders of Naga AG (in kEUR)	(6,727,447)	(3,134,617)
Average weighted number of shares issued (in units)	232,783,158	29,445
Undiluted earnings per share (in EUR)	**(0.03)**	**(106.46)**

When calculating dilutive earnings, potentially dilutive shares, such as those from convertible instruments, are taken into account if they have a dilutive effect. This is not the case in the case of a consolidated loss. There were no potentially dilutive shares in the fiscal year.

9. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

a) Financial instruments

Since 1 January 2019, the Group has classified financial assets into the following valuation categories:

- those that are to be measured at amortised cost.
- those at fair value (either by OCI or by profit or loss)

Classification

As of December 31, 2024, the Group's financial instruments are classified into the following measurement categories in accordance with the classification in IFRS 9:

- Amortised cost
- Assets measured at fair value with profit or loss with reclassification (FVOCI)
- Financial assets measured at fair value through profit or loss (FVTPL)
- Equity instruments (FVOCI) measured at fair value without profit or loss

The classification and subsequent valuation of financial assets depends on: (a) the Company's business model for managing the associated portfolio assets and (b) the cash flow characteristics of the asset. On initial recognition, NAGA may irrevocably identify a financial asset that otherwise meets the requirements for measurement at amortised cost or FVOCI at FVTPL if this eliminates or significantly reduces an otherwise occurring accounting mismatch.

All other financial assets are classified as assessed at the FVTPL.
Gains and losses on assets measured at fair value are recognised either through profit or loss.

Financial Assets - Recognition and Derecognition

All purchases and sales of financial assets that must be done through regulation or market conventions are recorded on the trading day. This is the day on which NAGA commits to deliver a financial instrument. All other purchases and sales are recorded when the Group becomes a party to the contractual provisions of the instrument.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and NAGA has transferred substantially all risks and rewards associated with the property.

Financial Assets - Valuation

On initial recognition, NAGA measures a financial asset at fair value plus transaction costs. Transaction costs of financial assets reported in FVTPL are recognised through profit or loss. The fair value at initial recognition is best demonstrated by the transaction price. A gain or loss on initial recognition is only recognised if there is a difference between the fair value and the transaction price that can be demonstrated by other observable current market transactions in the same instrument or by a valuation technique whose input includes data only from observable markets.

Financial assets with embedded derivatives are considered in their entirety if it is determined that their cash flows are exclusively principal and interest payments.

Debt instruments

The subsequent measurement of debt securities held depends on NAGA's business model for managing the asset and the cash flow characteristics of the asset. There are three valuation categories into which NAGA classifies its debt instruments:

1. Amortised acquisition costs:

Assets held for the collection of contractual cash flows, where these cash flows are exclusively principal and interest payments, are measured at amortised cost. Interest income from these financial assets is included in financial income. Any gain or loss on derecognition is recognised directly in profit or loss and is recognised in other operating income/expenses together with gains and losses.

Financial assets measured at amortized cost include: cash and cash equivalents, bank deposits with an original maturity of more than 3 months, trade receivables, and financial assets at amortized cost.

2. FVOCI:

Assets held for the purpose of collecting contractual cash flows and for the disposal of the financial assets, whose cash flows are exclusively principal and interest payments, are measured in accordance with FVOCI. Changes in carrying amount are recognised in other comprehensive income (OCI), with the exception of impairment, interest income and foreign exchange income and expense, which are recognised through profit or loss. When the financial asset is derecognized, the cumulative income or expense previously recognized in other comprehensive income is reclassified from equity to profit or loss and recognized in financial expense or income. Interest income from these financial assets is included in financial income. Foreign exchange gains and losses are reported under „Financial income or expenses" and impairment losses are presented as a separate item in the statement of comprehensive income.

3. FVTPL:

Assets that do not meet the amortised cost or FVOCI criteria are measured at FVTPL, i.e. fair value through the income statement. A gain or loss on a bond that is subsequently measured at the FVTPL is recognised through profit or loss and is reported net under the item „Other operating income / expenses" in the period in which it is incurred, unless it is revenue.

Financial Assets - Impairment - Expected Credit Loss (ECL) Allowance for Credit Losses

NAGA measures „expected credit loss" (ECL) for financial assets (including loans) measured at amortised cost and FVOCI in accordance with IFRS 9 and the risk from loan commitments and financial guarantees. NAGA measures the ECL and records the loan loss allowance at each balance sheet date. The measurement of the ECL reflects: (a) an unbiased and probability-weighted amount determined by evaluating a range of possible outcomes, (b) the time value of money, and (c) any reasonable and supportable information available without undue effort at the end of each reporting period about past events, current conditions, and projections of future conditions.

The carrying amount of the financial assets is reduced using a value adjustment account.

The debt securities measured at amortised cost are shown in the balance sheet less the impairment charge for ECL.

For debt securities at FVOCI, an impairment allowance for ECL is recognised through profit or loss and affects the gains or losses recognised in the OCI rather than the carrying amount of these instruments.

Expected losses are recorded and assessed according to one of the following two approaches: general approach or simplified approach.

For trade receivables and other receivables, NAGA applies the simplified approach permitted by IFRS 9, which requires the expected losses to be recognised over the entire life from the initial recognition of the financial assets.

For all other financial assets subject to impairment under IFRS 9, Naga applies the general approach – a three-tier model for impairment.

Stage 1:
A financial instrument that is not creditworthy at the time of initial registration is classified in Level 1. For Level 1 financial assets, the ECL is measured at an amount equal to the portion of the lifetime ECL resulting from default events occurring within the next 12 months or until the contractual maturity, if shorter („12-month ECL").

Stage 2:
If NAGA detects a significant increase in credit risk („SICR") since initial recognition, the asset will be moved to Level 2 and its ECL will be measured based on the total duration of the instrument, until contractual maturity, taking into account expected prepayments, if any („Lifetime ECL").

Stage 3:
If NAGA determines that a financial asset is no longer creditworthy, the asset will be transferred to Stage 3 and its ECL will be assessed as a lifetime ECL. The definition of NAGA for assets at risk of credit and the definition of default is explained in Financial Risk Management.

Financial Assets - Reclassification

Financial instruments will only be reclassified if the business model for managing these assets changes. The reclassification is prospective and will take place from the beginning of the first reporting period following the amendment.

Financial assets - depreciation

Financial assets are written off in whole or in part when NAGA has exhausted all practical restructuring efforts and has concluded that there is no reasonable prospect of restructuring. The write-off is a write-off event. NAGA may write off financial assets that are still the subject of foreclosure activities if the Company wishes to collect amounts due under the contract but there is no reasonable expectation of recovery.

Financial Assets - Modification

NAGA sometimes renegotiates or otherwise amends the terms of the financial assets. The Group assesses whether the change in contractual cash flows is material, taking into account, among other things, the following factors: new contractual provisions that materially affect the risk profile of the asset (e.g. profit participation or share-based return), material change in interest rate, change in currency denomination, new collateral or credit enhancement that reduces the credit risk associated with the asset or a significant increase in the Significantly affect the extension of a loan if the borrower is not in financial difficulties.

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include balances with credit institutions, electronic money institutions and payment service providers as well as any excess amount held in off balance sheet client bank accounts. Cash and cash equivalents are reported at amortised cost because: (a) they are held to collect contractual cash flows and these cash flows represent SPPI, and (b) they are not designated with FVTPL.

Financial assets at amortised cost

These are held for the purpose of collecting NAGA's contractual cash flows, and their cash flows are solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method less impairments. Financial assets measured at amortized cost are classified as current assets if they mature within a year or less (or if they have a longer maturity, in the normal business cycle). If not, they are reported as non-current assets.

Financial liabilities - valuation categories

Financial liabilities are initially measured at fair value and classified as amortized cost, except for (a) financial liabilities at FVTPL. This classification refers to derivatives as well as financial liabilities held for trading purposes (e.g., short positions in securities) and potential consideration by an acquirer in a business combination and other financial liabilities designated as such at initial recognition, and (b) financial guarantee agreements and loan commitments.

Trade payables and other liabilities

Trade payables and other liabilities are measured at fair value and then at amortised cost using the effective interest method.

Client funds

Client funds are classified as off-balance sheet items, as they do not represent resources controlled by the Company. The associated risks and rewards of ownership remain entirely with the clients, and as such, these funds are not recognized as assets on the Company's balance sheet.

The following table shows the carrying amounts and fair values by measurement categories of the financial instruments as of December 31, 2024 and December 31, 2023:

in kEUR	Book value 31.12.2024	Fair value 31.12.2024	Book value 31.12.2023	Fair value 31.12.2023
Financial assets valued at continued Acquisition costs	16,727	16,727	10,104	10,104
Financial Assets (Derivatives) valued At Fair Value	0	0	0	0
Financial Liabilities (Derivatives and other) valued at Fair Value	0	0	0	0
Financial liablilities valued at continued Acquisition costs	7,085	7,085	4,404	4,404

Financial assets measured at amortised cost:

This item includes cash and cash equivalents, trade receivables and other current assets. The valuation is carried out at amortised cost using the effective interest method. Interest in the amount of EUR 0 thousand (previous year: EUR 0 thousand) is reported in the financial result. Any impairments are recognised in the income statement.

Financial difficulties of the debtor, the probability that the debtor will file for bankruptcy or go through a restructuring as well as default

or payment delays as an indicator of the existence of impairment.

Financial liabilities measured at amortised cost:

This category includes trade payables and other financial liabilities. The valuation is carried out at amortised cost according to the effective interest method.

Fiduciary transactions

NAGA manages liquid funds of customers in its own name and on behalf of third parties in separately managed bank accounts for the processing of customer orders. NAGA acts as a trustee and the cash and cash equivalents are not part of the Group's assets or debts.

To date, NAGA has been providing these services through its:

- Cypriot subsidiary Naga Markets Europe Ltd which is subject to the regulatory requirements of the Cyprus Securities and Exchange Commission („CySEC") .
- Seychelles subsidiaries, KW Investments Ltd and Naga Capital Ltd which are subject to the regulatory requirements of the Financia Services Authority of Seychelles
- UAE subsidiary, Key Way Markets Ltd which is subject to regulatory requirements of Financial Services Regulatory Authority of the Abu Dhabi Global Market.
- South African subsidiary, JME Financial Services Ltd which is subject to the regulatory requirements of the Financial Sector Conduct Authority.
- Mauritius subsidiary, Neotrades Capital Ltd which is subject to the Financial Services Commission

As of December 31, 2024, the assets managed by NAGA in trust amount to EUR 28,384 thousand (previous year: EUR 10,977 thousand).

b) Financial Risk Management

The Group's business activities involve significant risk and are also subject to regulatory requirements. Consequently, NAGA has implemented a risk management system.

The Group's risk management focuses on the unpredictability of the financial markets and aims to minimise potentially adverse effects on the Group's financial performance.

In the area of brokerage, the Management Board prepares written principles for overall risk management as well as for specific areas, such as foreign currency risks, interest rate risks, credit risks, exchange rate risks, the use of derivative and non-derivative financial instruments and the investment of excess liquidity. Risk management is carried out under the supervision of the Risk Management Committee, which acts in accordance with the guidelines approved by the Management Board. The Risk Management Committee is independent and tasked with overseeing the following functions:

a) the adequacy and effectiveness of the Company's risk management policy and procedures;

b) compliance with the rules, processes and mechanisms specified in the Risk Management Policy by the Group and the relevant personnel;

c) the adequacy and effectiveness of the measures used to address deficiencies in processes and systems;

d) Identification, assessment and management of financial risks in close cooperation with the company's operating units.

Financial Risk Factors

The Group is exposed to the following financial risks as a result of its business activities:

a) market risks (including exchange rate risk, exchange rate risk, fair value interest rate risk and cash flow interest rate risk);

b) Address default risks;

c) Credit risks and

d) Liquidity risk.

Market risks (including price risk, currency exchange rate risk, fair value interest rate risk and cash flow interest rate risk)

Price risks

NAGA is primarily exposed to market price risk from fluctuations in foreign currencies, commodities and equity instruments resulting from open positions in CFDs held by Naga Markets as a counterparty with its clients, which are classified on the balance sheet as derivative financial instruments. NAGA itself does not enter into its own positions based on the expectation of market movements, but enters into positions with liquidity providers in order to financially hedge part of its open client contracts on a trade-by-trade basis.

In order to manage price risk, the Group has a formal risk policy defined by the management , which includes limits or a method of setting limits for each individual financial market on which the Company trades, as well as for specific market groups and markets, as well as for groups of financial instruments that the Management considers to be correlated. The Management continuously monitors the company's commitment to these limits.

NAGA benefits from a number of factors that also reduce the volatility of its revenue and protect it from market shocks, such as diversifying its clientele and product range, as NAGA acts as a market maker on a range of trading instruments (mainly CFDs on foreign currency pairs, stocks, commodities and indices). This diversification of the product offering tends to lead to a reduced concentration risk within the market risk portfolio. In the fiscal year ended December 31, 2024, the Group traded with a large number of customers from different countries. This large international client base has a number of different trading strategies that result in the company enjoying a hidden level of natural hedging between clients. This „portfolio net effect" leads to a significant reduction in the Group's net market risk.

Another factor that is continuously considered and monitored in connection with the risk limits is the Minimum Liquidity Requirement and Capital Adequacy Requirement that NAGA must comply with in accordance with the requirements of the local supervisory authorities. This affects the regulated entities mentioned above.

NAGA's price risk depends primarily on short-term market conditions and client activity during the trading day, which is why the risk at each balance sheet date may not be representative of the price risk faced by the Company over the year.

Foreign currency risks

Currency risk is the risk that the value of financial instruments fluctuates due to changes in exchange rates. Currency risk arises when future transactions and assets and liabilities on the balance sheet are denominated in a currency that is not the company's functional currency. The Company is exposed to exchange rate risk arising from various currency risks, mainly related to the U.S. dollar. The company's management continuously monitors exchange rate fluctuations and acts accordingly. The Company is essentially exposed to currency risk due to its foreign exchange CFD positions.

Possible changes in exchange rates have no material impact on the Group's earnings and net assets.

The impact of currency exchange rate changes on the Group's CFDs is part of the price risk as it relates directly to the Group's business.

The Management Board does not consider the exchange rate risk to be significant for the Group.

Fair value interest rate risks and cash flow interest rate risks

The Group's interest rate risk results from interest-bearing assets and long-term liabilities. Due to the current low risk exposure, no sensitivity analysis is provided.

Counterparty default risks

Counterparty default risk is defined by NAGA as the risk of losses or lost profits due to unexpected defaults or unforeseeable deterioration in the creditworthiness of business partners.

Counterparty default risks in NAGA result primarily from the business and settlement partners in the brokerage.

NAGA's business partners are subject to an audit on the basis of firmly defined criteria, which are adapted to current circumstances if necessary and are based on specific characteristics of the business partners. In addition, an ongoing credit check is carried out on the basis of publicly available data.

Credit risk

Credit risk arises from deposits with banks and financial institutions, as well as loans to customers, including outstanding receivables.

Banks and financial institutions are only accepted as contractual partners after a thorough examination. In addition to an independent rating, Naga Markets' risk committee takes past experience and other factors into account when assessing creditworthiness. Transactions with customers are also processed with the help of banks or financial institutions that specialize in online brokerage and banking.

A credit risk affecting customers always arises when losses from loss-making trading positions exceed the minimum capital adequacy required by the customer, i.e. a customer is at risk of losing more money in a position than he has previously deposited.

The Group protects itself against this risk in the normal course of business by monitoring all trading positions both on the system side and by traders. Client positions are closed by the system in an automatic process as soon as the account balances held to cover losses fall below a defined minimum value.

If, for example, a situation arises in which the losses incurred exceed a customer‘s deposit, for example due to large unforeseeable price jumps, a so-called „Negative Balance Protection Policy“ applies, according to which NAGA waives all claims for private customers that go beyond the deposit.

However, due to the Group‘s predominant activity as a market maker, there is no material risk for the Group from the „Negative Balance Protection Policy“. The background to this is that NAGA currently passes on only an insignificant part of the trading contracts to external liquidity providers. In the majority of trading contracts, NAGA acts as a counterparty. In this case, the waiver of the settlement of loss-making customer positions only leads to an imputed loss, as realised profit is waived in this respect. Only in the case of a direct forwarding does the risk of a liability to the liquidity provider arise, in the event of a simultaneous loss of receivables from the customer.

Contracts with an imminent obligation to make additional payments while at the same time being forwarded to a liquidity provider are therefore subject to separate internal control associated with the stress tests. To minimize risk, NAGA may reopen the position to prevent a loss of liquidity beyond the client‘s deposit.

As of December 31, 2024, the Group is exposed to the following credit risks, separated by category:

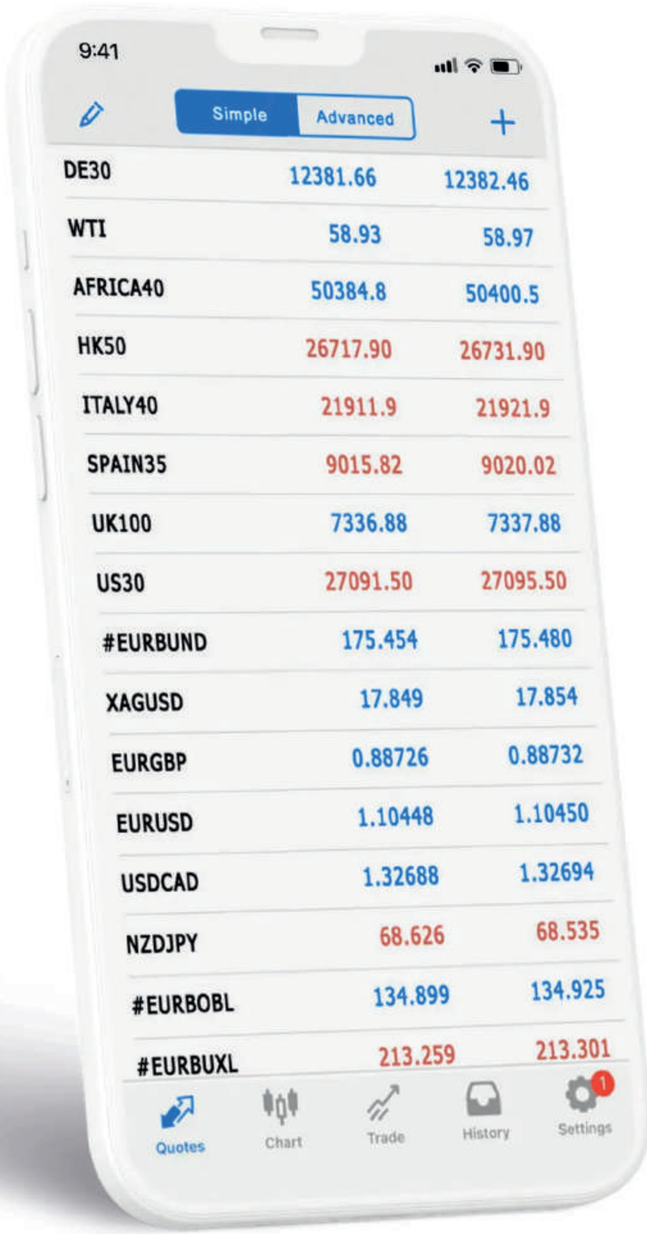
in kEUR	31.12.2024	31.12.2023
Trade receivables	1,801	1,740
Other current assets	5,694	2,421
Cash and cash equivalents	9,231	5,943
Total	**16,727**	**10,104**

An individual valuation allowance of EUR 1,097 thousand was recognised on an other current asset. Reference is made to paragraphs 7.d).

Liquidity risk

Liquidity risk arises when the maturities of assets and liabilities do not match. A mismatched position increases profitability, but it can also increase the risk of loss. The Group has implemented measures to minimise losses and maintain sufficient cash and other highly liquid current assets.

Ongoing and forward-looking policies and procedures are implemented for the assessment and management of the Group‘s net financial position in order to reduce liquidity risk.



The table below shows the Group's financial liabilities in relevant maturity groups based on the remaining maturities – based on the balance sheet date. The amounts shown in the table correspond to the contractual, non-discounted cash outflows. If the debt is due within twelve months, the book value corresponds to the payment outflows, as discounting has no significant influence. Insofar as the liabilities are interest-bearing, no discounting is made.

31.12.2024

in kEUR	less than 1 year	between 1 and 2 years	between 2 and 5 years	above 5 years
Other liabilities (financial)	4,139	0	0	0
Lease liabilities	726	328	0	0
Trade payables	2,836	0	0	0
Total	**7,701**	**328**	**0**	**0**

31.12.2023

in kEUR	less than 1 year	between 1 and 2 years	between 2 and 5 years	above 5 years
Other liabilities (financial)	2,051	416	0	0
Lease liabilities	767	346	0	0
Trade payables	1,327	0	0	0
Total	**4,145**	**762**	**0**	**0**

The changes in liabilities from financing activities are as follows:

in kEUR	01.01.2024	Change from Capital Flows	New Leasing-agreements	Other	31.12.2024
Liabilities from loans to Netcore Investments Ltd	-	1,353	-	-	1,353
Liabilities from loans to shareholders	958	(769)	-	-	89
Liabilities from loans to Third Parties	1,214	(520)	-	-	694
Short-term lease liabilities	767	(610)	897	-	1,054
Total	**2,939**	**(546)**	**897**	**-**	**3,291**

in kEUR	01.01.2023	Change from Capital Flows	New Leasing-agreements	Other	31.12.2023
Liabilities to shareholders and board members	-	958	-	-	958
Liabilities from loans to Third Parties	1,263	(49)	-	-	1,214
Lease liabilities	1,005	(282)	43	-	767
Total	**2,268**	**627**	**43**	**-**	**2,939**

The cash changes are accordingly taken into account in the statement of cash flows as part of the cash flow from financing activities. Changes in capital bases also include interest payments.

Capital Management

NAGA is in a growth and development phase. Capital management is therefore geared towards financing further expansion through equity and debt instruments. In addition to ensuring sufficient financing for planned sales activities, this includes further investment in software developments.

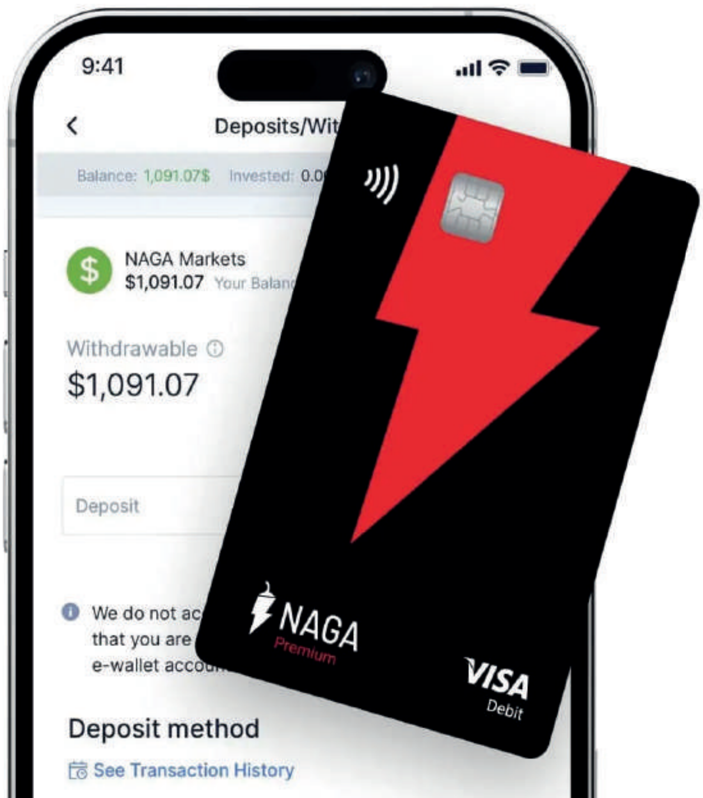
Estimate of fair value

Following the corrections described in Section 3, no financial instruments measured at fair value are recognised.

10. EQUITY/DIVIDENDS

a) Equity

As of December 31, 2024, the subscribed capital („share capital") amounts to EUR € 232,783,158 and is divided into 232,783,158 registered no-par value shares. There are no separate preferential rights for certain shares, as well as no restrictions on trading the shares (Section 68 of the German Stock Corporation Act).



The subscribed capital developed as follows:

Subscribed capital as of 30.06.2016		**50,001**
Changes in the second short financial year 2016		0
Subscribed capital as of 31.12.2016		**50,001**
Changes in the financial year	Cash contribution	12,413
Changes in the financial year	Company funds	17,975,232
Changes in the financial year	Convertible bond	1,970,402
Changes in the financial year	IPO	1,000,000
Subscribed capital as of am 31.12.2017		**21,008,048**
Changes in the financial year	Contributions in kind	19,195,534
Subscribed capital as of 31.12.2018		**40,203,582**
Changes in the financial year		0
Subscribed capital as of 31.12.2019		**40,203,582**
Changes in the financial year	Cash contribution	1,846,321
Subscribed capital as of 31.12.2020		**42,049,903**
Changes in the financial year	Convertible bond	2,000,000
Changes in the financial year	Convertible bond	1,569,781
Changes in the financial year	Cash contribution	8,428,240
Subscribed capital as of am 31.12.2021		**54,047,924**
Changes in the financial year		0
Subscribed capital as of am 31.12.2022		**54,047,924**
Changes in the financial year		0
Subscribed capital as of 31.12.2023		**54,047,924**
Changes in the financial year	Convertible bond	8.137.644
Changes in the financial year	Contribution in kind	170.597.590
Subscribed capital as **of 31.12.2024**		**232,783,158**

Authorized capital

The Management Board is authorized, with the consent of the Supervisory Board, to increase the Company's share capital by a total of up to EUR 27,023,962.00 on one or more occasions in the period until 28.12.2028 by issuing up to 27,023,962 new registered shares against cash and/or non-cash contributions (Authorized Capital 2023).

Contingent capital

The share capital is conditionally increased by up to EUR 4,250,792.00 through the issuance of up to 4,250,792 new registered shares with profit adjustment from the beginning of the financial year of their issuance (Conditional Capital 2021).

The share capital is conditionally increased by up to EUR 14,635,526.00 through the issuance of up to 14,635,526 new registered no-par value shares with dividend entitlement from the beginning of the financial year of their issuance (Conditional Capital 2023).

b) Dividends

As in the previous year, no dividend payment to shareholders will be resolved or made for the 2024 financial year.

11. AUDITOR'S FEES

The following fees have been recognised for the services provided by the auditor of the consolidated financial statements:

in kEUR	2024	2023
Annual and consolidated financial statements	159	21

12. INFORMATION ABOUT RELATED PARTY RELATIONSHIPS

The balances and transactions between Naga AG and its subsidiaries, which are related parties, have been eliminated as part of the consolidation and are not explained in this Appendix. The details of transactions between the Group and other related parties are given below.

Related parties are the members of the Management Board and Supervisory Board of Naga AG and their close family members. In addition, companies over which related parties have a controlling influence are classified as related parties.

Board members and persons close to them:

- Mr. Andreas Luecke, Hamburg, lawyer, tax consultant and family
- Mr. Michalis Mylonas, Nicosia (Cyprus), Managing Director, (Vice-Chair since 26 January 2024) and family
- Mr. Constantin-Octavian Patrascu, Bucharest (Romania), Managing Partner Key Way Group Ltd., (Chairman) and family, since January 26, 2024

Supervisory Board members and related persons:

- Mr. Harald Patt, Friedrichsdorf, Management Consultant (Chairman) and Family (until 20 September 2024)
- Mr. Qiang Liu, Shanghai (China), General Manager (Vice Chairman) and Family (until 20 September 2024)
- Mr. Richard Byworth, Zug (Switzerland), Managing Partner and Family (until 20 September 2024)
- Mr. Stefan Schütze, Bodolz, Managing Partner C 3 Management GmbH (Vice Chairman) and family
- Mr. Barry Rudolph, North Carolina (USA), President Interface Financial Group Inc. (Chairman) and family (since 21 September 2024)
- Mr. Eyal Wagner, Gibraltar, Director Castle Rock Ltd. and family (since 21 September 2024)

As of December 31, 2024, to the knowledge of the Company, Mr. Patrascu or related companies hold 94,229,470 shares in NAGA AG, Mr. Luecke 618,181, Mr. Mylonas 918,570 shares, Mr. Patt 151,701 shares and Mr. Liu 224,172 shares.

Mr. Luecke is a member of the Management Board of Hanseatic Brokerhouse Securities AG.

Remuneration of the Board of Management

The members of NAGA's Executive Board received the following short-term remuneration in the 2024 and 2024 financial years, respectively:

Remuneration of the Board of Management

in kEUR	2024	2023
Mr. Luecke		
fixed	200	200
variable	0	0
Mr. Mylonas		
fixed	120	120
variable	0	0
Mr. Bilski		
fixed	0	50
variable	0	0
Mr. Patrascu		
fixed	0	0
variable	0	0
Total	**320**	**370**

There was no share-based compensation or pension plan entitlements.

In addition to the reimbursement of their expenses for their work in the 2024 financial year, the members of the Supervisory Board received a total of EUR 61 thousand (previous year: EUR 60 thousand).

The following table compares related party relationships in accordance with the IAS 24 regulations:

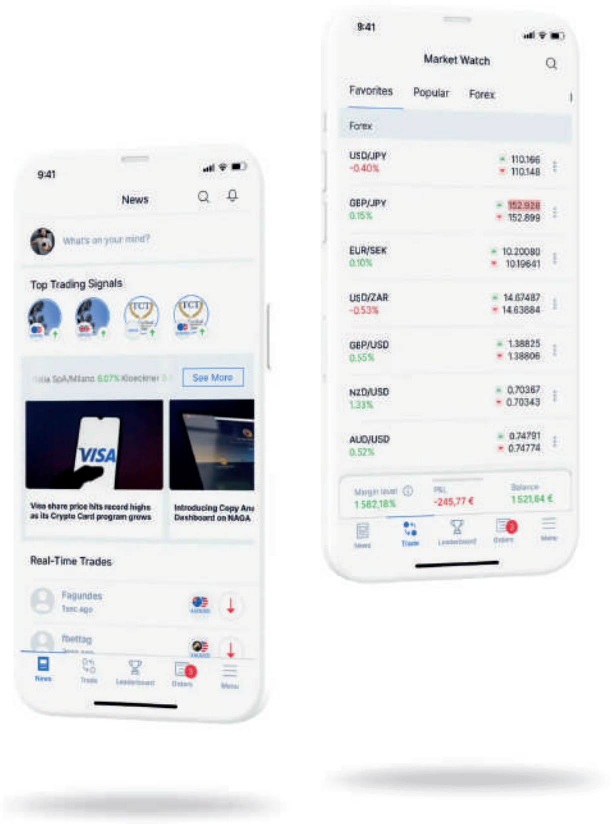
The following table compares related party relationships in accordance with the IAS 24 regulations:

Products and services in EUR	Received 31.12.2024	Provided 31.12.2024	Received 31.12.2023	Provided 31.12.2023
Board	525,000	0	180,000	0

Debts and receivables in EUR	Debt/Loan 31.12.2024	Receivables 31.12.2024	Debt/Loan 31.12.2023	Receivables 31.12.2023
Board	30,000	0	15,000	0
Netcore Investments Ltd	1,353,109	0	0	0
Shareholder	96,256	0	904,977	0

Interest in EUR	Received 31.12.2024	Due 31.12.2024	Received 31.12.2023	Due 31.12.2023
Board	0	0	0	0
Netcore Investments Ltd	392,587	0	0	0
Shareholder	0	0	52,790	0

In particular, the above values result from loan and service agreements between Group companies and related parties or companies in their majority ownership. All contracts were concluded on arm‘s length terms (reference is made to paragraph 7.i)).



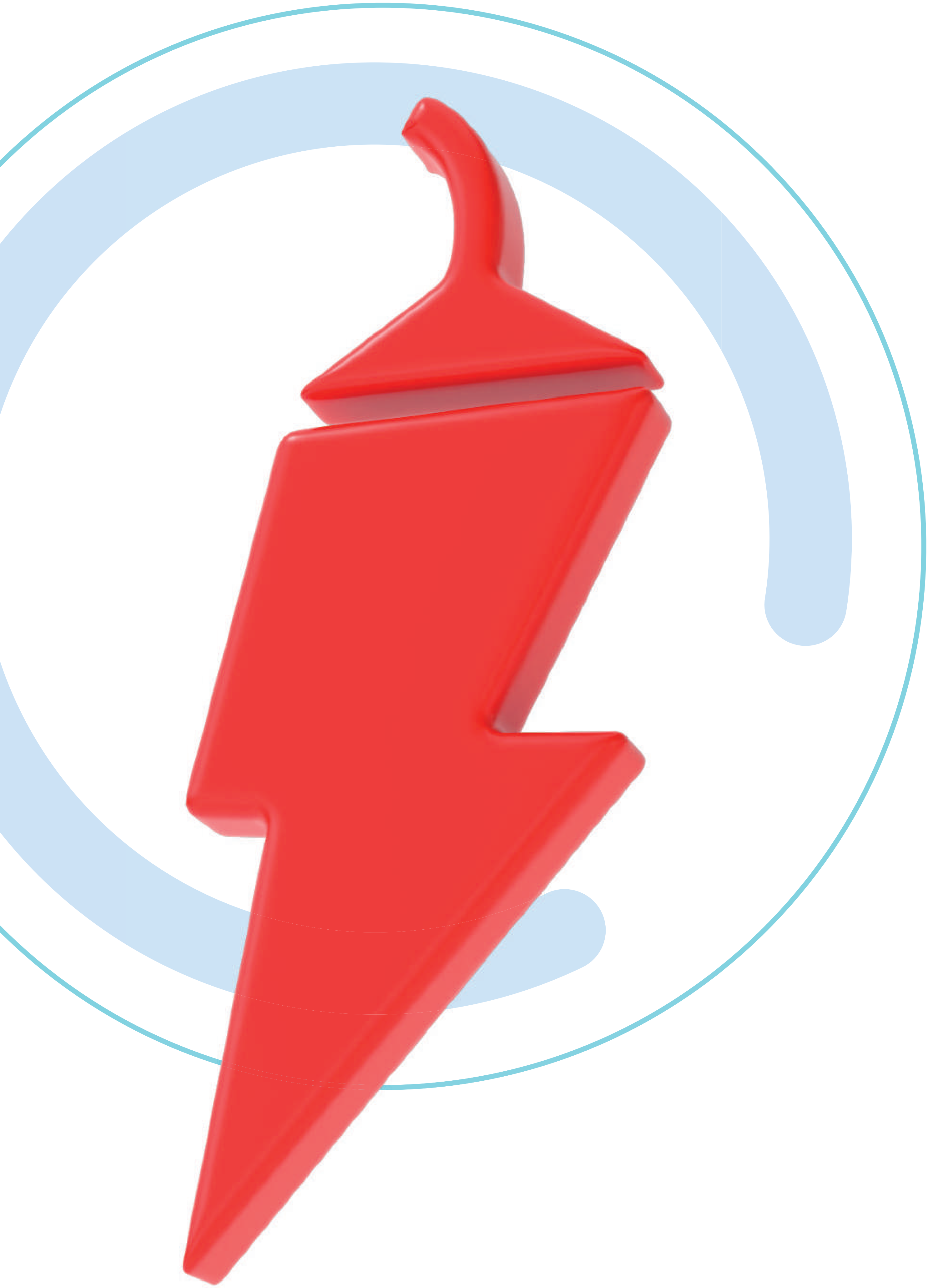
13. EVENTS AFTER THE BALANCE SHEET DATE

On 24 March 2025, Key Way Group Limited entered into a sale agreement for the sale of subsidiary Key Way Investment Limited, a regulated entity licensed by Cyprus Securities and Exchange and commission. The transaction will be completed upon approval of the regulator.

The NAGA Group AG through its subsidiary Key Way Group Ltd., Gibraltar, has entered into a purchase agreement to acquire all shares in Trade Capital UK (TCUK) Ltd, a financial services company regulated by the Financial Conduct Authority (FCA). With this acquisition, The NAGA Group AG will re-enter the UK market. TCUK manages client equity of GBP 1.88 million. The NAGA Group AG anticipates generating additional business by introducing its unique product offering to the UK market in partnership with TCUK. The purchase price for the acquisition amounts to GBP 1.24 million, including net cash of approximately GBP 0.59 million. The completion of the purchase agreement is subject to regulatory approval and is expected to contribute to NAGA’s top-line revenue EUR 6.5 million by 2026 and EUR 2.5 million in EBITDA, all of course provided that it receives regulatory approval by the FCA first.

The Naga Group AG
Management Board

C.-O. Patrascu   M. Mylonas   A. Luecke



Independent auditor's opinion

Independent auditor‘s opinion

Audit opinions

We have audited the consolidated financial statements of The Naga Group AG and its subsidiaries (the Group) – consisting of the consolidated balance sheet as of December 31, 2024, the consolidated statement of comprehensive income, the consolidated statement of equity and the consolidated cash flow statement for the financial year from January 1, 2024 to December 31, 2024, as well as the notes to the consolidated financial statements, including the presentation of accounting policies. In addition, we audited the Group management report of The Naga Group AG for the financial year from January 1, 2024 to December 31, 2024. We have not reviewed the content of the parts of the Group management report mentioned in the section „Other Information“ in accordance with German legal requirements.

According to our assessment based on the findings of the audit

- the accompanying consolidated financial statements comply in all material respects with IFRS as they are applicable in the EU and the supplementary German statutory provisions applicable pursuant to Section 315e (1) of the German Commercial Code (HGB) and, in compliance with these provisions, give a true and fair view of the Group‘s net assets and financial position as of December 31, 2024 and its results of operations for the financial year from January 1, 2024 to December 31, 2024, and

- the attached Group Management Report gives an accurate picture of the Group‘s position overall. In all material respects, this Group management report is in line with the consolidated financial statements, complies with German legal requirements and accurately presents the opportunities and risks of future development. Our audit opinion on the Group management report does not extend to the non-audited components of the Group management report mentioned under „Other information“.

In accordance with Section 322 (3) sentence 1 HGB, we declare that our audit has not led to any objections to the regularity of the consolidated financial statements and the Group management report.

Basis for the Audit Opinions

We conducted our audit of the consolidated financial statements and the Group management report in accordance with Section 317 HGB in compliance with the German Principles of Proper Auditing of Financial Statements established by the Institute of Public Auditors (IDW). Our responsibility under these rules and principles is described in more detail in the section „Auditor‘s responsibility for the audit of the consolidated financial statements and the group management report“ of our auditor‘s report. We are independent of the group companies in accordance with the German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and suitable to serve as the basis for our audit opinions on the consolidated financial statements and the Group management report.

Other information

The legal representatives are responsible for the other information. The other information includes the following non-audited components of the Annual Report:

- the insurance of legal representatives (Section 297 (2) sentence 4 HGB, Section 315 (1) sentence 5 HGB),

- the report of the Supervisory Board, and

- the letter from the Board of Management to the shareholders.

Our opinions on the consolidated financial statements and the group management report do not cover the other information and, accordingly, we do not issue an opinion or any other form of audit conclusion in this regard.

In connection with our audit of the consolidated financial statements, we have a responsibility to read the other information set out above and to assess whether the other information

- has material discrepancies with the consolidated financial statements, the Group management report or with our knowledge gained during the audit, or

- appears to be materially misrepresented in any other way.

Responsibility of the legal representatives and the Supervisory Board for the consolidated financial statements and the Group management report

The legal representatives are responsible for the preparation of the consolidated financial statements, which comply in all material respects with IFRS as they are applicable in the EU and the supplementary statutory provisions applicable pursuant to Section 315e (1) HGB, and for ensuring that the consolidated financial statements give a true and fair view of the net assets, financial position and results of operations of the Group in compliance with these provisions. In addition, the legal representatives are responsible for the internal controls that they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatements due to fraudulent actions (i.e. manipulation of accounting and financial losses) or errors. When preparing the consolidated financial statements, the legal representatives are responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility to disclose matters relating to the company's going concern, where relevant. In addition, they are responsible for preparing the accounts applying the going concern principle, unless there are factual or legal circumstances to the contrary.

In addition, the legal representatives are responsible for preparing the Group management report, which gives an accurate overall picture of the Group's position and is in line with the consolidated financial statements in all material respects, complies with German legal requirements and accurately presents the opportunities and risks of future development. Furthermore, the legal representatives are responsible for the precautions and measures (systems) that they have deemed necessary to enable the preparation of a Group management report in accordance with the applicable German legal provisions and to be able to provide sufficient suitable evidence for the statements in the Group management report.

The Supervisory Board is responsible for monitoring the Group's accounting process for the preparation of the consolidated financial statements and the Group management report.

Responsibility of the auditor for the audit of the consolidated financial statements and the group management report

Our objective is to obtain reasonable certainty as to whether the consolidated financial statements as a whole are free from material misstatements due to fraudulent acts or errors, and whether the Group management report as a whole gives an accurate picture of the position of the Group and is consistent in all material respects with the consolidated financial statements and with the findings of the audit, complies with German legal requirements and accurately presents the opportunities and risks of future development, as well as to issue an audit opinion containing our audit opinions on the consolidated financial statements and the Group management report.

Sufficient assurance is a high degree of certainty, but no guarantee that an audit conducted in accordance with Section 317 HGB in compliance with the German Principles of Proper Auditing of Financial Statements established by the Institute of Public Auditors (IDW) will always uncover a material misstatement. Misstatements may result from fraudulent acts or errors and will be considered material if they could reasonably be expected to influence, individually or collectively, the economic decisions of users made on the basis of these consolidated financial statements and group management report.

During the audit, we exercise due discretion and maintain a critical attitude. In addition

- we identify and assess the risks of material misstatements in the consolidated financial statements and the Group management report due to fraudulent acts or errors, plan and conduct audit procedures in response to these risks, and obtain audit evidence that is sufficient and appropriate to serve as the basis for our audit opinions. The risk of failure to detect material misrepresentations resulting from fraudulent acts is higher than the risk of not detecting material misrepresentations resulting from errors, as fraudulent acts may involve collusion, falsification, intentional incompleteness, misleading representations or the overriding of internal controls.
- we gain an understanding of the internal control system relevant to the audit of the consolidated financial statements and the precautions and measures relevant to the audit of the Group management report in order to plan audit procedures that are appropriate under the circumstances, but not with the aim of giving an opinion on the effectiveness of these systems.
- assess the adequacy of the accounting policies used by the legal representatives, as well as the reasonableness of the estimated values and related disclosures presented by the legal representatives.
- we draw conclusions on the adequacy of the going concern accounting principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is material uncertainty in connection with events or circumstances that may raise significant doubts as to the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we are obliged to draw attention to the related information in the consolidated financial statements and the Group management report in the auditor's report or, if this information is inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's opinion. However, future events or circumstances may lead to the Group no longer being able to continue its business activities.
- we assess the presentation, structure and content of the consolidated financial statements as a whole, including the disclosures, as well as whether the consolidated financial statements present the underlying business transactions and events in such a way that the consolidated financial statements give a true and fair view of the Group's financial position, results of operation and assets, in compliance with IFRS as they are applicable in the EU, and the supplementary statutory provisions applicable pursuant to Section 315e (1) HGB.
- we obtain sufficient appropriate audit evidence for the accounting information of the companies or business activities within the Group to issue audit opinions on the consolidated financial statements and the Group management report. We are responsible for the guidance, supervision and execution of the audit of the consolidated financial statements. We are solely responsible for our audit opinions.
- we assess the consistency of the Group management report with the consolidated financial statements, its compliance with the law and the picture of the situation of the Group that it conveys.

- we carry out audit procedures on the forward-looking information presented by the legal representatives in the Group management report. On the basis of sufficient suitable audit evidence, we in particular track the significant assumptions on which the forward-looking statements are based by the legal representatives and assess the appropriate derivation of the forward-looking statements from these assumptions. We do not issue an independent audit opinion on the forward-looking information or on the underlying assumptions. There is a significant unavoidable risk that future events could differ materially from the forward-looking statements.

We discuss with those responsible for monitoring, among other things, the planned scope and timing of the audit, as well as significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

Berlin, 4 June 2025

MSW GmbH
Audit firm
Tax consulting company

Mantay Auditor	Dr. Thiere Auditor

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