The Naga Group AG

Hamburg

ISIN DE000A161NR7 - WKN A161NR

ISIN DE000 A3EX2R9 - WKN A3EX2R

Invitation

to the Extraordinary General Meeting

We invite the shareholders of our company to the Extraordinary General Meeting to be held on **April 12, 2024, at 11:00 a.m.,** Handwerkskammer Hamburg, Holstenwall 12, 20355 Hamburg.

AGENDA

1. Resolution on a capital increase against contributions in kind with the exclusion of statutory subscription rights and corresponding amendment to the Articles of Association

The Management Board and Supervisory Board propose that the following resolution be adopted:

a) The share capital of the company shall be increased against contributions by an amount of EUR 170,597,590.00 by issuing 170,597,590 new no-par value registered shares with a pro rata amount of the share capital of the company of EUR 1.00 per share ("**New Shares**"). The issue amount of the New Shares is EUR 1.00 per share, the total issue amount is therefore EUR 170,597,590.00 . The New Shares are entitled to dividends from the beginning of the financial year in which they are issued.

b) The shareholders' statutory subscription rights are excluded.

c) Netcore Investments Limited, a limited liability company incorporated under the laws of the British Overseas Territory of Gibraltar, registration number 121057, with its registered office at Suite 7, Hadfield House, Library Street, GX11 1AA, Gibraltar, , is authorized to subscribe for and acquire all 170,597,590 New Shares, provided that its contribution is made as a contribution in kind by way of contribution of all 125.000 (in words: one hundred and twenty-five thousand) shares with a nominal value of EUR 1.00 each in Key Way Group Limited (hereinafter "KWG" or "CAPEX"), a limited liability company incorporated under the laws of the British Overseas Territory of Gibraltar, registration number

116088, with its business address at Suite 7, Hadfield House, Library Street, GX11 1AA, Gibraltar, consisting of:

- 31,496 shares of share class A with a nominal value of EUR 1.00 per share ;
- 68,504 Class B shares with a nominal value of EUR 1.00 per share;
- 25,000 shares of share class C with a nominal value of EUR 1.00 per share

(all shares of share classes A, B and C together "**KWG company shares**"),

to provide.

d) The contribution of the KWG shares is to take place with economic effect as of January 1, 2024 . Any contribution value of the KWG shares under commercial law in excess of the issue amount of the New Shares shall be posted to the so-called free capital reserve in accordance with Section 272 para. 2 no. 4 HGB.

e) The Management Board is authorized, with the approval of the Supervisory Board, to determine the further details of the capital increase and its implementation, in particular the further conditions for the issue of the New Shares.

f) Section 7 (1) and (2) sentence 1 of the company's Articles of Association shall be amended as follows with effect from the date of registration of the implementation of the capital increase:

"7.1 The share capital of the company amounts to EUR 225,645,514 .00 (in words: two hundred and twenty-five million euros six hundred and forty-five thousand five hundred and fourteen).

7.2 The share capital is divided into 225,645,514 no-par value shares."

In the event that the amount of the company's share capital changes before the capital increase is registered, the Supervisory Board is authorized to amend the wording of the Articles of Association with regard to the capital ratios and the number of shares accordingly.

g) The resolution to increase the share capital shall become ineffective if the capital increase has not been carried out by the end of the two dates described below. The first date is three months after the date on which all official authorizations or approvals required for the implementation of the capital increase, including the necessary official approvals at the level of the subsidiaries of the NAGA and KWG Group, have been obtained; the second date is three months after any legal challenges to the resolution of the Annual General Meeting on the capital increase against contributions in kind (if any) have all been brought to a legally binding end, or if a release resolution is passed in accordance with Section 246a of the German Stock Corporation Act (AktG), which determines that all pending actions for rescission do not prevent the registration of the non-cash capital increase, three months after this resolution. Implementation of the capital increase after the period specified in the previous sentence is not permitted. The Management Board shall take all necessary measures to ensure that these deadlines are met.

h) If and to the extent that a court determines in accordance with the provisions of the German Act on Appraisal Proceedings (Spruchverfahrensgesetz) pursuant to Section 255 para. 7 AktG in conjunction with Section 10a SpruchG. § 10a SpruchG determines that the value of the contribution attributable to a share is unreasonably low, the entitled shareholders will be granted additional shares in the company in accordance with Section 255a AktG instead of the cash compensation payment within the meaning of Section 255 (4) AktG to the extent permitted by law.

Item 1 of the agenda:
Report of the Management Board on the reasons for the capital increase against contributions in kind with the exclusion of statutory subscription rights

The Management Board of the company hereby submits the following report to the Annual General Meeting in accordance with Section 186 para. 4 sentence 2 AktG on the reasons for the intended exclusion of subscription rights as part of the aforementioned proposed resolution on the capital increase against contributions in kind.

1. Backgrounds

The Management Board and the Supervisory Board propose to the shareholders of the company a capital measure for the purpose of the business combination between The NAGA Group AG ("**NAGA**") and Key Way Group Limited (which operates under the trademark "**CAPEX.com**").

Both groups expect to be able to exploit considerable economies of scale as a result of the merger. The new group of companies will have eight licenses worldwide. The combined platforms will have 1.5 million users from more than 100 countries. With their combined licenses, NAGA and Capex will be able to operate in more than 50 countries, including the fast-growing MENA (Middle East/North Africa) region, where NAGA plans to launch its social trading (i.e. securities trading via a trading platform with social media functions).

NAGA's proprietary technology is expected to enhance 's product offering for Capex's existing customer base by offering social trading, neo-banking and spot crypto, thereby increasing so-called Lifetime Value (the dwell time of customers on of the platform) and thus generating additional profits. Overall, the merger is expected to save up to USD 10 million in annual operating costs, such as regulatory overheads, headcount, technology and trading costs. Joint marketing efforts are expected to result in higher demand power among customers acquired for consideration and higher domain and platform recognition, which should significantly improve customer acquisition costs and brand reputation.

The future indirect majority shareholder, Mr. Octavian Patrascu, intends to retain the NAGA brand name .

Before all KWG shares can be contributed to NAGA, various official approvals must be obtained or procedures must be completed. Based on current knowledge, NAGA assumes that this includes the approval of the following supervisory authorities, to whose supervision companies of both groups are subject, for the contribution of all KWG shares to NAGA and the resulting change of ownership in the regulatory sense:

- Cyprus Securities and Exchange Commission (CySeC), financial services regulator of Cyprus
- Financial Services Authority (FSA), financial services regulator of the Seychelles
- South African Financial Sector Conduct Authority (FSCA), financial services regulator of South Africa
- Abu Dhabi Global Market (ADGM) Financial Services Regulatory Authority (FSRA), financial services regulator of Abu Dhabi, United Arab Emirates
- Financial Services Commission (FSC), financial services regulator of Mauritius

a) Business model of the NAGA Group

The NAGA Group has two securities trading licenses:

(1) A license issued under EU and Cypriot law by the Cyprus Securities and Exchange Commission (CySec) for securities trading for clients resident in the EU.

(2) A license issued under Seychelles law by the Financial Services Authority of Seychelles (Financial Services Authority - FSA) for securities trading for clients residing outside the EU.

The NAGA Group's core business is trading in financial instruments on behalf of clients (so-called "brokerage"). In addition to traditional trading in financial instruments, The Naga Group AG offers its customers the management of their personal finances via a self-developed social trading platform, which includes, an app for securities trading (NAGA Trader) , a neo-banking app (NAGA Pay) and a platform for cryptocurrencies (NAGA X) (see . for the explanations of these platforms below). Customer orders in the brokerage area are processed by the subsidiaries NAGA Markets Europe Ltd (Cyprus) and NAGA Capital Ltd (Seychelles), which - where necessary - have the required official authorizations.

As a purely online broker, the NAGA Group provides an online trading platform for CFDs (contracts for difference). "These are derivatives that are not based on the price of the underlying asset, but on the difference between bid and ask prices; they offer investors the opportunity to speculate on the price performance of shares, indices, commodities and bonds or other underlying assets with a relatively small capital investment, without having to invest directly in the respective underlying asset), forex (foreign exchange trading), ETFs , share indices and shares. The Group offers both a traditional service for securities trading, , and a "social trading" service at , where customers can discuss their securities transactions and make investment decisions via a trading platform with social media functions .

In addition to the brokerage area, the development of blockchain-based technology is set to play a more significant role in the future. Furthermore, depending on the further development of the crypto markets, the NAGA Group will also focus on the crypto segment in addition to the brokerage segment.

For customer acquisition, NAGA focuses on online marketing, affiliate marketing, sales partners a network of sales partners and fully automated customer acquisition processes processes for accepting customers.

With the NAGA Trader, NAGA X and NAGA Pay platforms, the NAGA Group operates three fully developed product areas:

Securities trading platform including Social Trading:

The platform "NAGA Trader" comprises a trading platform for over 1,200 assets with social media functions. It enables users to follow other users, learn from them, exchange ideas with them and copy their trading activities. Derivatives, shares, commodities, foreign exchange and cryptocurrencies can be traded via this platform from a computer or mobile via iOS and Android. Customers can put together their own portfolios, share their own trading activities with other users (who can copy them) or copy the trading activities and strategies of other users (so-called copy trading) at .

Neo- Banking App :

With the neo-banking platform "NAGA Pay“, which was developed and launched in 2020, its users receive an IBAN account for payment transactions (fully digital account opening process), a share deposit account and a VISA debit card, which can be topped up both by making a deposit and with credit and assets from the other two platforms, e.g. with securities and cryptocurrencies. Users can make bank transfers and send funds to friends in the NAGA Pay app free of charge. The NAGA Pay app activated the "Pay with crypto" function for all customers at the beginning of September 2022. Users can set at any time which currency - whether euros or cryptocurrencies - they want to use to pay at the checkout or online. Over 50 cryptocurrencies are supported and can be deposited and withdrawn directly in the NAGA Pay app via the blockchain. In Q1 2023, also introduced a bonus program with Bitcoin refunds of up to 3% of the transaction volume (“Bitcoin- Cash Back”) as well as Apple Pay in Q3 2023 and Google Pay in Q4 2023. The Naga Pay account and Visa debit card are offered in cooperation with Contis Financial Services Ltd, UK, an e-finance institution licensed in Europe and the United Kingdom.

Trading platform for cryptocurrencies

The crypto platform "NAGA X" operated via the subsidiary NAGAX Ltd, Cyprus (registered there with CySEC as a CASP (=Crypto Asset Service Provider)) includes a physical crypto wallet and a built-in crypto exchange, via which around 50 different cryptocurrencies , including the most traded (Bitcoin, Ethereum, USDT), can be exchanged. Users are offered the opportunity to copy crypto trading activities of influencers, who are themselves NAGA customers, for more than 700 crypto assets via the social network of the NAGA X platform . The offering is supplemented by other products in the area of virtual currencies and goods. "NAGA X" also automatically executes the entire transaction in the background in real time using the "Pay with crypto" function introduced with "NAGA Pay".

b) Business model of the CAPEX Group

The licenses granted to the CAPEX Group are shown in the table below:

Company	**Country**	**License**	**Supervisory authority**
Key Way Markets Ltd.	Abu Dhabi, UAE	1. Dealing in Investments as Principal (CFDs) 2. Dealing in Investments as Agent (real Shares)	Abu Dhabi Global Market (ADGM) Financial Services Regulatory Authority (FSRA)
KW Investments Ltd.	Seychelles	Dealing in investment as Principle	Financial Services Authority (FSA-SEY)
JME Financial Services Ltd.	South Africa	Category I - Derivative Instruments	South African Financial Sector Conduct Authority (FSCA)
Key Way Investments Ltd.	Cyprus	1. Reception, Transmission and Exection of Orders (STP) 2. Dealing on Own Acount (Market Maker)	Cyprus Securities and Exchange Commission (CySEC)
NEOTRADES CAPITAL Ltd.	Mauritius	Securities dealer according to SEC-2.1B	Financial Services Commission (FSC)

KWG operates online platforms for the provision of investment services with a primary focus on CFD trading. As described above, CFDs (contracts for difference) are derivatives that are not based on the price of the underlying asset, but on the difference between bid and ask prices. They offer investors the opportunity to speculate on the price performance of shares, indices, commodities and bonds or other underlying assets with a relatively small capital investment, without having to invest directly in the respective underlying asset. An actual purchase or trade of the respective underlying asset by the investor does not take place in a CFD transaction.

At Group level, KWG currently offers its trading platform under 5 different licenses (see table above). These licenses are tailored to emerging markets such as Latin America, Southeast Asia and selected countries in the Middle East, where a large number of people want products with high leverage (low equity investment in relation to the value of the trading position).

In contrast, the regulatory environment in the EU has become increasingly strict in recent years, particularly with regard to the use of leverage (ratio of capital employed to the value of the trading position) that may be offered to retail clients and the scope and type of marketing activities that may be carried out by brokers. These restrictions have reduced revenues and made customer acquisition more difficult.

The CAPEX business strategy at a glance

CAPEX's business strategy is based on the use of an extensive network of 10 branches in seven countries, as shown below, to serve users from several countries in four regions (see pie chart below).

Branch office	**Country**
Nicosia (3)	Cyprus
Gibraltar	Gibraltar
Bucharest (2)	Romania
Mahe	Seychelles
Abu Dhabi	United Arab Emirates
Durban	South Africa
Port Louis	Mauritius

This strategic positioning enables CAPEX to achieve potentially higher trading volumes and consequently higher returns by utilizing a geographically distributed user base.

.

The CAPEX sales strategy is based on the following principles:

- **Online marketing:** Utilization of cost-efficient acquisition channels with high customer lifetime value (CLV), targeting selected regions which, according to CAPEX's historical data, have an above-average customer value and a strong correlation with CAPEX's product range in terms of instruments and trading conditions.

- **Partners:** CAPEX has established a broad network of business partners to operate in new countries and share some of the costs and revenues, minimizing the risks of business expansion while enabling faster scalability.

- **Affiliates:** In addition to online marketing and business partners, CAPEX has built up an extensive network of marketing partners (so-called "affiliates") who are remunerated on a performance basis so that CAPEX only pays for actual customer registrations. This leads to cost efficiency and predictability.

Differences between CAPEX and NAGA:

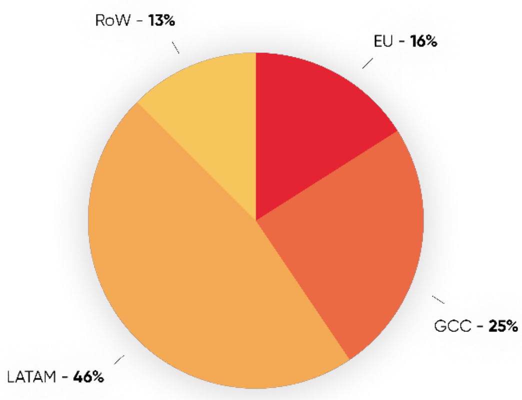
- NAGA's business model is based on a limited number of partners and a concentration of online marketing on a single region, namely the EU.

- In contrast, CAPEX has a much larger network of partners and channels for user acquisition as well as a geographical distribution across four regions (see pie chart below) and several countries (see table above).

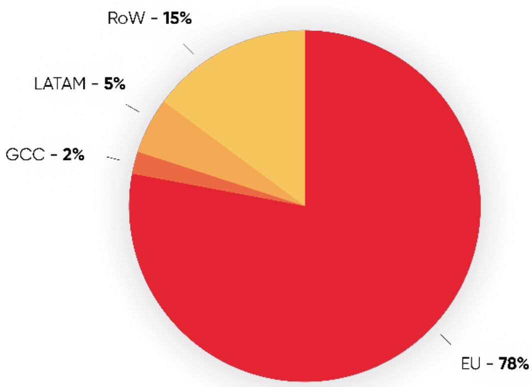
- This will ensure that CAPEX customer acquisition is diversified across multiple locations, mitigating the risk associated with reliance on a single region/country and therefore ideally complementing NAGA's current distribution channels.

The pie charts below illustrate the distribution of user acquisition for 2023 for the two groups of companies.

Capex.com



Naga.com



RoW - Rest of the World
GCC - Middle East and North Africa
EU - European Union
LATAM - Latin American countries

It is evident that CAPEX's user base is more evenly distributed globally compared to NAGA, with a focus on emerging markets such as Latin America and the MENA region (GCC), in contrast to NAGA's user base, which is predominantly based in the EU.

Competitive advantages of CAPEX over other CFD platforms

- **Multi-product offering with a large selection of financial instruments:** Unlike platforms that only offer CFDs, CAPEX also offers trading and investing in real shares and ETFs. The CAPEX platform offers a very extensive range of instruments for both CFDs and real shares and ETFs, totaling over 10,000 financial instruments from more than 20 global markets. In comparison, most competitors typically only offer around 2,000 financial instruments from the most popular markets, giving CAPEX a competitive advantage.

- **Data-driven scaling:** With reporting systems that enable data-driven decision making, CAPEX achieves scalable growth by leveraging the insights of data analytics. At its core, data-driven scaling relies on the implementation of sophisticated reporting systems that collect, organize and analyze data from multiple sources. These systems are designed to provide management with valuable insights into key performance indicators, customer behavior and other important factors affecting business operations.

- **Modern onboarding model for customers:** The CAPEX platform has a sophisticated onboarding model that ensures an intuitive user experience. Through intelligent analysis of client data, clients are efficiently guided to the appropriate license and receive tailored product offers of financial instruments based on their experience and risk appetite. In addition, the capture of client data and documents is seamlessly integrated with leading providers of electronic KYC (client verification) checks, enabling automatic and instant unlocking for clients as part of the acceptance process.

- **Local branches with regional expertise:** CAPEX's growth strategy focuses on diversifying the user base and expanding into new markets. This is initially done by establishing a network of local partners to test the market and thus minimize the business risk. As soon as a positive result becomes apparent in a region, CAPEX establishes its own offices and local infrastructure and utilizes the local know-how and connections of its partners. CAPEX is now represented in four key regions (see pie chart above) with a network of ten local offices in seven countries (see table above) and is already testing new markets in Southeast Asia with a number of strategic partners and using local expertise.

2. Reasons for the capital increase against contributions in kind with the exclusion of statutory subscription rights

a) Key data of the non-cash capital increase

Under agenda item 1, the Management Board and Supervisory Board propose to the Annual General Meeting a capital increase against contributions in kind with the exclusion of statutory subscription rights by issuing 170,597,590 new shares. The new shares are to carry dividend rights from the beginning of the financial year in which they are issued. They are to be issued at an issue price of EUR 1.00 per new share, i.e. at a total issue price of EUR 170,597,590.00.

The created as part of the implementation of this capital increase 170,597.590 New Shares shall be offered exclusively to Netcore Investments Limited, a limited liability company incorporated under the laws of the British Overseas Territory of Gibraltar, registration number 121057, having its registered office at Suite 7, Hadfield House, Library Street, GX11 1AA, Gibraltar (hereinafter the "**Contributing KWG Shareholder** "), for subscription and acquisition, on the understanding that its contribution will be made as a contribution in kind by way of contribution of all 125.000 (in words: one hundred and twenty-five thousand) shares with a nominal value of EUR 1.00 each and thus the entire share capital of Key Way Group Limited ("**KWG**"), a limited liability company incorporated under the laws of the British Overseas Territory of Gibraltar, registration number 11608, with its business address at Suite 7, Hadfield House, Library Street, GX11 1AA, Gibraltar, consisting of:

- 31,496 Class A shares with a nominal value of EUR 1.00 per share;
- 68,504 Class B shares with a nominal value of EUR 1.00 per share;
- 25,000 Class C shares with a nominal value of EUR 1.00 per share

(all shares of share classes A, B and C together " KWG-Shares"),

to provide.

A portion of the KWG shares will be held by the Contributing KWG Shareholder in trust for the other shareholders of KWG and will be contributed by him in trust for this as part of the implementation of this capital increase. After the implementation of this capital increase and the then planned dissolution of the fiduciary relationships, shareholders of KWG who hold KWG shares of the respective share class will be entitled to the following New Shares of The Naga Group AG:

KWG share class	**New shares of The Naga Group AG**
A Shares	61,656,003
B Shares	60,002,037
C Shares	48,939,550
Total	**170,597,590**

After implementation of the capital measure planned under this agenda item 1, as well as all related agreements, Mr. Octavian Patrascu will indirectly hold an interest in the company of 48.30% via companies attributable to him.

The contribution of the KWG shares is to take place with economic effect from January 1, 2024.

b) Exclusion of subscription rights

In principle, the company's shareholders have a subscription right to new shares to be issued, i.e. each shareholder has a right to subscribe to new shares in a number corresponding to their previous participation in the company's share capital. However, the resolution to be adopted by the Annual General Meeting under agenda item 1 provides for the exclusion of this statutory subscription right of shareholders. In accordance with Section 186 para. 3 sentence 2 AktG, this resolution requires a majority of at least three quarters of the share capital represented when the resolution is passed.

c) Factual justification

In the opinion of the Executive Board, the proposed exclusion of shareholders' subscription rights is objectively justified and appropriate for the shareholders, taking into account and weighing up all the circumstances for the reasons explained below.

An objective justification is given if the exclusion of subscription rights has a purpose that is in the interests of the company (section (1) below) and is suitable and necessary to achieve the purpose that is in the interests of the company (section (2) below), i.e. cannot also be achieved by milder, equally suitable means. Finally, the advantages achievable for the company must be in reasonable proportion to the disadvantages of the shareholders affected by the dilution (section (3) below). The Management Board of the company is of the opinion that this is the case.

(1) Corporate interest

The admission of the contributing KWG shareholder to subscribe in return for contributions in kind is in the interests of the company because the planned contribution of KWG will, in the opinion of the Management Board, significantly and sustainably improve the company's development opportunities and thus its future prospects and earning power and, in the opinion of the Management Board, increase the value of the company as a result of the expansion and development of the operating business and thus the value of each of its shares. It is expected that the overall transaction will lead to considerable potential for the company and its shareholders.

The main advantages of the merger are the complementary strengths of the two groups and the considerable financial synergies described above, which arise from the elimination of redundant cost items in the course of the organizational merger of the two groups.

While NAGA sees its strength in its technology, CAPEX's strength is based on a proven track record in generating sales combined with a high level of operational experience, so that both groups complement each other ideally through their core competencies.

By merging the departments of both groups and the resulting lower personnel requirements, as well as better purchasing prices from service providers due to the increasing buying power, considerable cost savings can be achieved, thereby increasing the Group's profit compared to continuing the two groups separately.

From the shareholders' point of view, this creates greater opportunities for an increase in the enterprise value of the merged group of companies than for the NAGA Group before the merger and thus for a positive development of the NAGA share price.

Finally, the transaction strengthens the company's capital market profile. The Management Board believes that the significantly higher market capitalization of The Naga Group AG as the parent company of the new group of companies listed on the Basic Board of the Frankfurt Stock Exchange as a result of the transaction will lead to increased market interest and higher visibility and will have a positive impact on the liquidity of the Naga share. This will also make the company's shares more attractive to international investors. It is to be expected that such a strengthened capital market profile will also enable corporate financing with equity and/or debt capital at improved conditions.

(2) Suitability and necessity of the exclusion of subscription rights

The exclusion of subscription rights must be suitable to achieve the purpose intended to promote the interests of the company. The contribution of KWG to the company can only take place with the exclusion of subscription rights because only the contributing KWG shareholder can contribute all KWG shares as a contribution in kind. The exclusion of subscription rights is therefore suitable for achieving the purpose here.

The exclusion of subscription rights is also necessary because an alternative transaction structure that would be suitable for achieving the economic objective is not apparent.

The company does not have the cash funds required for any other acquisition of the KWG shares, nor would it be possible to raise the corresponding amount of loans. Nor can the required number of shares in the company be acquired elsewhere.

Debt financing of the planned transaction is ruled out in view of the scope of the financing required for the acquisition of KWG. Taking into account The Naga Group AG's own cash funds of approximately kEUR 2,300 (as of January 31, 2024) freely available for the implementation of the transaction and in view of the enterprise value of KWG of around EUR 190.4 million in total (see d) below), considerable debt financing in the three-digit million range would already have to be raised to carry out a purchase of the KWG shares. Such a large debt financing would be neither feasible nor justifiable for The Naga Group AG in view of its existing operating profitability.

The capital increase against contributions in kind can only be implemented with the exclusion of shareholders' statutory subscription rights. A so-called mixed capital increase against cash and/or non-cash contributions with the granting of statutory subscription rights against cash contributions, which is conceivable as an alternative, cannot be considered in the present case. In this case, the implementation of a subscription offer requiring a prospectus would be necessary. The additional costs associated with this and the time frame required for this would have a significant negative impact on the company in the event that the transaction subsequently fails, both in terms of liquidity and with regard to the efficient use of human resources. In addition, a high share component would nevertheless have had to be granted to finance the transaction, so that from the perspective of the Management Board, a mixed cash and non-cash contribution would not have offered any significant advantages over the proposed capital increase against non-cash contributions only. Furthermore, it is also unrealistic that the company could raise the necessary funds in the lower three-digit million range through a pure cash capital increase and/or other financing measures. The contributing KWG shareholder is also interested in receiving shares as consideration for the contribution of the KWG shares in order to participate in future increases in value.

A mixed cash and non-cash capital increase using the existing authorized capital is also out of the question, as the company currently only has a relatively small amount of authorized capital of EUR 27,023,962.00. This amount would not be sufficient to finance the KWG shares. In addition, a high share component would also have had to be granted for financing in this case, so that, in the view of the Management Board, a mixed cash and non-cash contribution using the existing authorized capital would not offer any significant advantages over the proposed capital increase against non-cash contribution only. In addition, as described above, it is important for the contributing KWG shareholder to receive shares as consideration.

In view of the above, no milder, equally effective means of implementing the company's interests are apparent. The exclusion of subscription rights is therefore necessary and appropriate.

(3) Adequacy - In particular: Appropriate issue amount

The inevitable dilution of the company's shareholders through the exclusion of subscription rights as part of the non-cash capital increase is proportionate to the purpose pursued in the interests of the company and is therefore justified.

The contribution of the KWG company shares by way of a contribution in kind is made at reasonable conditions, i.e. the issue price of the new shares is not unreasonably low and the value ratio between the KWG company shares and the new shares is reasonable.

In order to determine or confirm the appropriate value, the value of the KWG shares to be provided as a non-cash contribution and the value of the new shares in the company to be issued as consideration as part of the non-cash capital increase are decisive. The relevant values in this respect are derived from the enterprise value of KWG and the lowest issue price of the new shares.

The Management Board of the company has commissioned PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main ("**PWC**"), to prepare an expert opinion on the enterprise values of KWG and The Naga Group AG ("**Valuation Report**") in order to assess whether the value of the KWG shares equals the value of the new shares in the company to be issued in return for the contribution in kind.

The company's Management Board examined the valuation report in detail. For the purposes of the valuation report, PWC held discussions with the management of KWG and the company's Management Board, reviewed the budgets and other various documents of both companies and assessed their plausibility and critically analyzed the information based on its own knowledge of the market and the facts. The valuation activities did not relate to the assessment of the accounting, the annual financial statements or the management of KWG.

In performing the engagement, PWC applied the IDW S1 standard in the version dated April 2, 2008 and acted as a neutral expert in accordance with IDW S1. The business values of KWG and The Naga Group AG were determined using the capitalized earnings value method recognized in case law and business administration. The plausibility of the company values was checked using the multiplier method. The company values of KWG and The Naga Group AG are based on the respective stand-alone planning calculations of KWG and The Naga Group AG, which do not take into account any effects from the planned transaction. The planning calculations on which the valuation is based cover the years up to 2028.

According to the valuation report by PWC dated February 26, 2024, an enterprise value of KWG of around EUR 190.4 million was determined as at the valuation date of March 31, 2024 using the discounted earnings method, which exceeds the total issue amount of the new shares of EUR 170,597,590.00. An enterprise value of around EUR 47.1 million was calculated for the company. Based on the number of currently issued 54,047,924 shares of The Naga Group AG, this results in a value per share of EUR 0.87. This results in a value ratio of KWG in relation to the company of rounded 4.05:1. In contrast, the ratio of the 170,597,590 New Shares to be issued to the Contributing KWG Shareholder to the currently issued 54,047,924 shares of The Naga Group AG is rounded 3.16:1.

Based on the statements and results contained in the valuation report, in particular on the objective enterprise values of KWG and the company, in each case prior to the contribution, the Management Board has come to the conclusion that the assumed ratio of the 170,597,590 New Shares to be issued to the KWG shares to be provided as a contribution in kind is appropriate.

As a precautionary measure, the volume-weighted three-month average share price for the period prior to the date of the valuation report was also considered (i.e. EUR 0.91 per share). The calculated average share price of the company is therefore below the lowest issue price of EUR 1.00, so that this is not relevant.

Based on the results of the valuation report, the KWG shares are to be valued at a minimum of EUR 170,597,590.00, which is equivalent to the value of the new shares. Based on the statements and results contained in the valuation report, in each case prior to the contribution, the consideration for the contribution in kind is appropriate in the opinion of the Management Board.

In summary, it should be noted that the exclusion of subscription rights is suitable and necessary to achieve the intended purpose. Due to the advantages for the company and the appropriateness of the issue amount, it is also proportionate, especially as the shareholders can acquire additional shares via the stock exchange. Against this background, the company's interest in acquiring the KWG shares justifies the mandatory proportional dilution of the company's shareholders resulting from the exclusion of subscription rights.

At the Annual General Meeting, the Management Board will present further details on the reasons for the proposed resolution on the non-cash capital increase.

A separate external audit of the non-cash contribution is to be dispensed with on the basis of the valuation report by PWC in accordance with Section 183a para. 1 sentence 1 AktG in conjunction with Section 33a para. 1 no. 2 AktG.

The main considerations for the valuation described above are derived from the valuation report by PWC, which the Management Board has adopted as its own. For the purposes of this report, the Executive Board makes full reference to the content of the PWC valuation report.

PWC's valuation report is available on the company's homepage at

https://files.naga.com/2024-02-26_PwC_Gutachtliche%20Stellungnahme_NAGA_Capex_Final.pdf

printed in full. This provides the key considerations for the valuation described above, which the Executive Board endorses.

2. Election of Supervisory Board members

In accordance with Sections 96 (1) and 101 (1) AktG and Section 13 (1) of the company's Articles of Association, the Supervisory Board is composed of four members. The shareholder Fosun Fintech Holdings (HK) Limited ("**FOSUN**") has the right to appoint one Supervisory Board member , provided that this shareholder holds at least one share.

In accordance with Section 13 (3) of the Articles of Association, substitute members may be elected for one or more specific Supervisory Board members at the same time as the ordinary Supervisory Board members. The substitute members become members of the Supervisory Board in an order to be determined at the time of election if Supervisory Board members, as whose substitute members they were elected, leave the Supervisory Board before the end of their term of office. If a substitute member takes the place of the departed member, their office shall expire at the end of this Annual General Meeting , otherwise at the end of the remaining term of office of the departed Supervisory Board member, if a new election is held for the departed member at the next or the next but one Annual General Meeting after the occurrence of the substitute case. A person may be appointed as a substitute member for several Supervisory Board members.

The Supervisory Board members elected by the Annual General Meeting, Mr. Harald Patt and Mr. Richard Byworth, have each resigned from office with effect from the end of the Extraordinary General Meeting on April 12, 2024 , Mr. Qiang Liu , who was delegated to the Supervisory Board by the shareholder Fosun Fintech Holdings (HK) Limited, was recalled at the end of the Extraordinary General Meeting on April 12, 2024 to enable the election of replacement members for these three members.

Following the dismissal of Mr. Qiang Liu, the shareholder FOSUN is not exercising its right to appoint a Supervisory Board member. Against this background, Mr. Qiang Liu and the two other aforementioned Supervisory Board members are to be newly elected by the Annual General Meeting.

Unless the Annual General Meeting resolves a shorter term of office, Supervisory Board members are elected for the period until the end of the Annual General Meeting that resolves the discharge for the fourth financial year after the start of the term of office. The financial year in which the term of office begins is not included in this calculation. If a new election is held for a Supervisory Board member who resigns from the company's Supervisory Board during their term of office, the term of office of the newly elected member shall not exceed the term of office of the resigning member.

2.1 The Supervisory Board proposes

a) Mr. Harald Patt, resident in Friedrichsdorf, Management consultant,

b) Mr. Qiang Liu, resident in Shanghai, China, Managing Director of the FOSUN group of companies, and

c) Mr. Richard Byworth, resident in Zug, Switzerland, Managing Partner of Syz Capital AG, Switzerland,

be elected as a member of the Supervisory Board until the end of the Annual General Meeting that approves the actions of the Supervisory Board for the 2028 financial year.

2.2 The Supervisory Board also proposes that, at the same time as the Supervisory Board members to be elected by this Annual General Meeting

a) Mr. Barry D. Rudolph, resident in North Carolina, USA, President of Interface Financial Group, Bethesda, USA,

b) Mr. Eyal Wagner, resident in Gibraltar, Managing Director of Castle Rock Limited Ltd., Gibraltar, and

c) Dr. Christian Remaklus, resident in Friedberg, Co-Head Corporate Banking of China Construction Bank Corp., Frankfurt am Main and Managing Director of Alternative Invest Consult GmbH, Friedberg

be elected as their substitute members. In the event that a member of the Supervisory Board resigns before the end of their term of office, the substitute members shall become members of the Supervisory Board in the aforementioned order for the remainder of the term of office of the resigning member.

PARTICIPATION REQUIREMENTS

Non-listed companies within the meaning of Section 121 para. 3 AktG in conjunction with Section 3 para. § Section 3 para. 2 AktG are only obliged to state the name and registered office of the company, the time and place of the Annual General Meeting and the agenda as well as the addresses below in the convening notice. The following information is therefore provided voluntarily in order to make it easier for our shareholders to participate in the Annual General Meeting.

Only shareholders who are entered in the company's share register and who have registered with the company at the following address no later than **April 5, 2024, 24:00 hours** (the date of receipt of registration is decisive) are entitled to attend the Annual General Meeting and exercise their voting rights:

The Naga Group AG
c/o UBJ GmbH
House of Economy
Cape Town Ring 10
22297 Hamburg
E-mail: hv@ubj.de

The shareholder registering must be clearly identified, for example by stating their full name or their full company name as entered in the share register.

Pursuant to Section 67 para. 2 sentence 1 AktG, only those persons who are entered as such in the share register are deemed to be shareholders in relation to the company. Accordingly, the registration status of the share register on the day of the Annual General Meeting is decisive for the right to participate and the number of voting rights to which a person entitled to participate in the Annual General Meeting is entitled. For technical reasons, however, no changes will be made to the share register in the period from the end of **April 5, 2024** (technical record date) until the end of the Annual General Meeting (so-called "re-registration stop"). Therefore, the entry status of the share register on the day of the Annual General Meeting corresponds to the status after the last transfer on **April 5, 2024**. Shares are not blocked by registering for the Annual General Meeting. Shareholders can therefore continue to freely dispose of their shares even after registering for the Annual General Meeting.

However, it should be noted that pursuant to Section 405 para. 3 no. 1 AktG, anyone who uses the shares of another person, for whose representation they are not authorized, to exercise rights at the Annual General Meeting without their consent is acting in violation of the regulations. Since, in relation to the company with regard to the Annual General Meeting on **12 April 2024,** only those who are entered as such in the share register at that time are deemed to be shareholders, anyone who acquires shares beforehand but is not yet entered in the share register at the time of the Annual General Meeting has no right to attend and vote if the seller does not authorize or empower them to attend the Annual General Meeting and exercise their voting rights. All purchasers of shares in the company who are not yet entered in the share register are therefore requested to submit applications for transfer in good time.

PROXY VOTING

Shareholders who do not wish to attend the Annual General Meeting in person may also have their voting and/or other rights represented by a proxy, e.g. an intermediary, a shareholders' association, a proxy advisor or another person. The prerequisite for exercising voting rights by proxy is registration for the Annual General Meeting in due form and time.

The granting of proxies, their revocation and proof of authorization to the company must be in text form.

Intermediaries, shareholders' associations, proxy advisors and persons treated as such by the German Stock Corporation Act may stipulate different requirements for the powers of attorney to be granted to them within the framework of the special provisions applicable to them under the German Stock Corporation Act (Section 135 AktG). These requirements can be obtained from the person to be authorized.

Proof of authorization can either be presented by the proxy on the day of the Annual General Meeting or sent to the company in advance to the following address:

The Naga Group AG
c/o UBJ GmbH
House of Economy
Cape Town Ring 10
22297 Hamburg
E-mail: hv@ubj.de

For organizational reasons, proxies must be sent to the above address by no later than **11 April 2024, 24:00 hours** (receipt). Proxies granted in this way can be revoked in the same way within the same period.

Proxies can also be granted or revoked on the day of the Annual General Meeting up to the time specified by the chairman of the meeting and proof of this can be provided to the company at the entrance and exit control to the Annual General Meeting.

The company also offers its shareholders the opportunity to be represented by proxies appointed by the company who are bound by instructions when exercising their voting rights. Shareholders who wish to authorize proxies nominated by the company must also register for the Annual General Meeting under the above conditions ("PARTICIPATION REQUIREMENTS").

If shareholders authorize the proxies appointed by the company, they must issue instructions for exercising their voting rights. Without these instructions, the authorization is invalid. The company's proxies are obliged to vote in accordance with the instructions. If no instructions or unclear or ambiguous instructions are issued to the proxies on individual agenda items, the proxies will abstain from voting. Company proxies are not subject to any instructions from the company when exercising voting rights.

For organizational reasons, powers of attorney and instructions to the proxies appointed by the company that are issued prior to the Annual General Meeting must be received by The Naga Group AG at the following address by no later than **April 11, 2024, 24:00 hours**:

The Naga Group AG
c/o UBJ GmbH
House of Economy
Cape Town Ring 10
22297 Hamburg
E-mail: hv@ubj.de

Shareholders may also authorize and instruct the proxies appointed by the company on the registration form sent to them with the invitation by sending it to the address stated on the form.

Furthermore, a form for issuing a power of attorney and instructions for proxies of the company is also available for download on the company's website at https://group.naga.com/de under the link "Investor Relations" and there under the heading "Annual General Meetings".

On the day of the Annual General Meeting, powers of attorney and instructions may also be issued to the company's proxies, as well as changes and revocations thereof, in text form up to the start of voting at the entry and exit checkpoints.

MOTIONS AND ELECTION PROPOSALS FROM SHAREHOLDERS

Motions by shareholders pursuant to Section 126 AktG against a proposal on a specific agenda item and election proposals by shareholders pursuant to Section 127 AktG must be sent exclusively to the following address:

The Naga Group AG
Hohe Bleichen 12
20354 Hamburg

E-mail: hv@naga.com

Countermotions from shareholders received at the above address at least 14 days before the day of the Annual General Meeting, i.e. by no later than **March 28, 2024, 24:00 hours, will be** made available under the further requirements of Sections 126, 127 AktG (including the name of the shareholder and - in the case of motions - the reasons) at the Internet address https://group.naga.com/de under the link "Investor Relations" and there under the heading "Annual General Meetings". There you will also find any statements by the management.

FURTHER EXPLANATIONS/PUBLICATIONS ON THE COMPANY'S WEBSITE

This invitation and further information are available on the company's website at

https://naga.com/de/group/investor-relations

under the heading "Annual General Meetings".

INFORMATION ON DATA PROTECTION

The company processes the following categories of personal data in the course of holding the Annual General Meeting: Contact data (e.g. name or the e-mail address), information about your shares (e.g. number of shares) and administrative data (e.g. the registration confirmation number). The processing of personal data in the context of the Annual General Meeting is based on Art. 6 para. 1 lit. c of the General Data Protection Regulation (GDPR). This states that the processing of personal data is lawful if the processing is necessary for compliance with a legal obligation. The company is legally obliged to hold the Annual General Meeting of shareholders. In order to comply with this obligation, the processing of the above-mentioned categories of personal data is essential. You cannot register for the Annual General Meeting without providing your personal data.

The company is responsible for data processing. The contact details of the controller are

The Naga Group AG
- Data Protection Officer -
Hohe Bleichen 12
20354 Hamburg
Phone: +49 40 5247 791 53
E-mail: datenschutzbeauftragter@thenagagroup.com

Personal data concerning you will generally not be passed on to third parties. By way of exception, third parties may also have access to this data if they have been commissioned by the company to provide services in connection with the holding of the Annual General Meeting.

These are typical AGM service providers, such as AGM agencies, lawyers or auditors. The service providers only receive personal data to the extent that is necessary for the provision of the service.

As part of the statutory right to inspect the list of participants at the Annual General Meeting, other participants and shareholders may gain insight into the data recorded about you in the list of participants. Your personal data will also be published in the context of requests for additions to the agenda, countermotions or nominations for election that must be published, if you submit these motions.

Depending on the individual case, the above-mentioned data will be stored for up to 3 years (but not less than 2 years) after the end of the Annual General Meeting and then deleted, unless further processing of the data is still necessary in individual cases for the processing of applications, decisions or legal proceedings in relation to the Annual General Meeting.

You have the right to receive information about the personal data stored about you free of charge upon request. In addition, you have the right to have incorrect data corrected, the right to request the restriction of the processing of data that has been processed too extensively and the right to have personal data that has been processed unlawfully or stored for too long deleted (insofar as this does not conflict with any statutory retention obligation or other reasons in accordance with Art. 17 para. 3 GDPR). In addition, you have the right to transfer all data you have provided to us in a commonly used file format (right to "data portability").

To exercise your rights, simply send an e-mail to

datenschutzbeauftragter@thenagagroup.com

You also have the right to lodge a complaint with a data protection supervisory authority.

Hamburg, February 2024

The Naga Group AG
The Executive Board