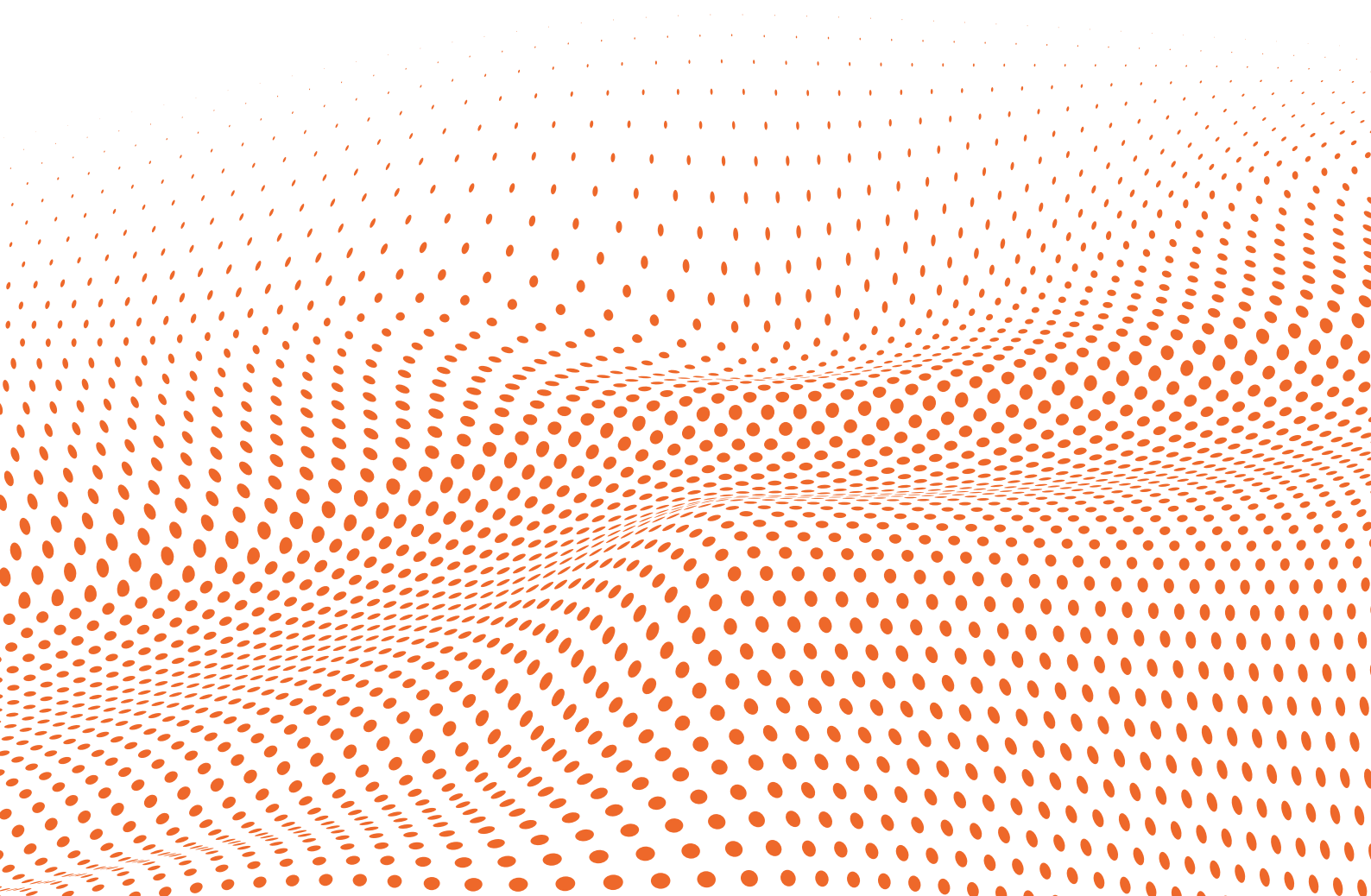




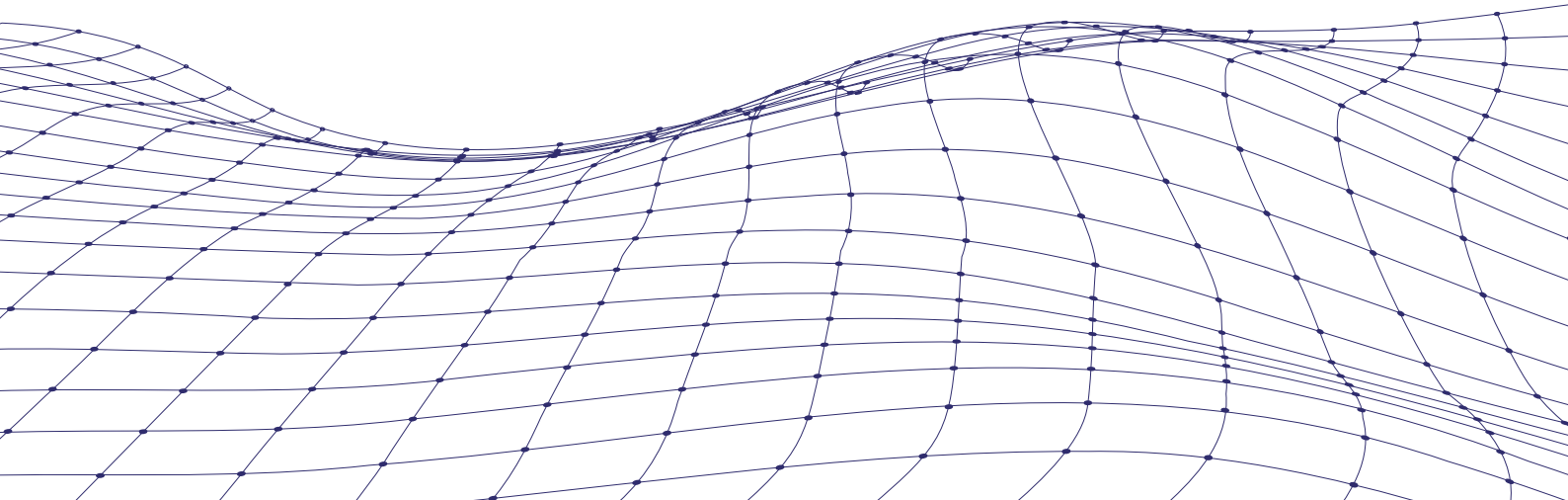
Half-Year Financial Report 2022



AT A GLANCE IN FIGURES

| in EUR thousand | H1/22 | H1/21 | Delta % |
|------------------------------|---------------|---------------|--------------|
| Total output | 545 | 321 | 69.8% |
| EBITDA | -4,337 | -4,761 | 8.9% |
| Earnings after taxes | -7,342 | -7,406 | 0.9% |
| Earnings per share (in EUR)* | -1.19 | -1.80 | 33.8% |
| Employees | 65 | 62 | 4.8% |

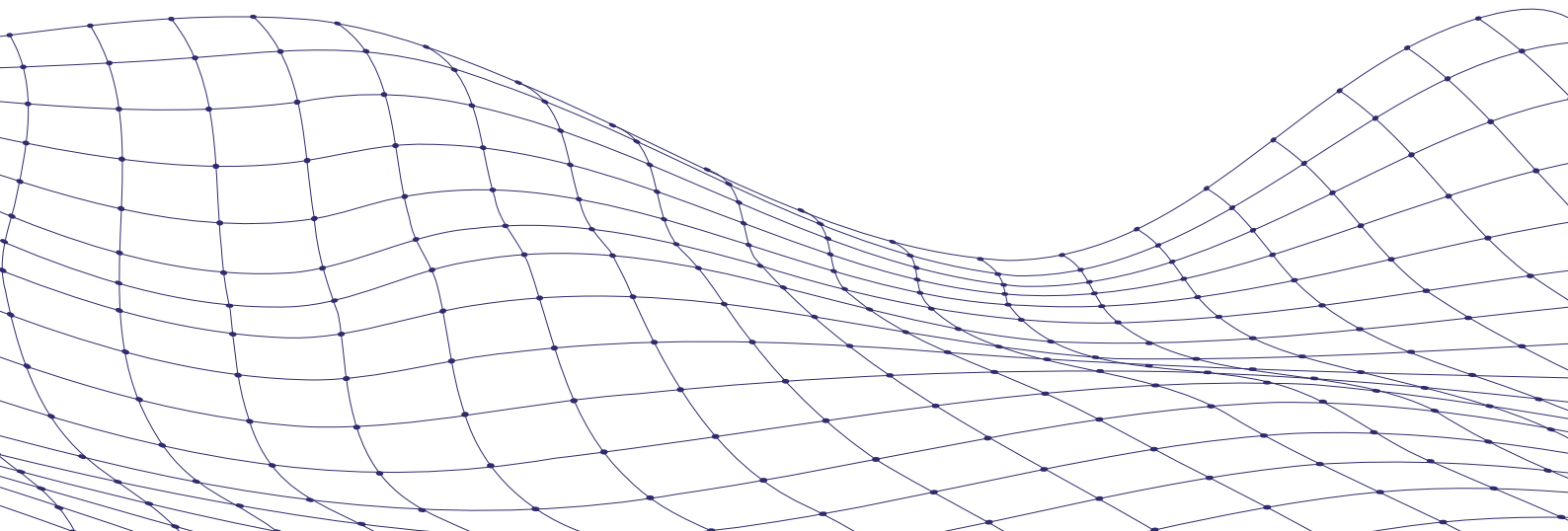
* Based on a total of 6,183,193 shares outstanding as of June 30, 2022 (June 30, 2021: EUR 4,122,129)





COMPANY PROFILE


NeXR is an international technology company based in Berlin that enables people and companies to enter the metaverse. Thanks to its broad technological expertise, NeXR is able to harness the full potential of VR, AR, motion capturing and digital avatars. The company executes digital projects in three areas: Extended Reality Development, High-End Avatar Creation and Live Productions by employing innovative motion capture technologies. Using high-resolution body scanning technologies, NeXR is able to create perfect digital replicas and generate valuable data to develop customized solutions – from realistic online shopping to customized sports equipment. In addition, by using novel extended reality technologies, NeXR has created interactive digital spaces that are far more than mere experiences and have the potential to transform industries.





PRODUCTS

(Selection)



The focus of our work is on the lifelike avatar – the photorealistic digital twin of the human being – and the contribution to the solution of current problems our customers through the use of technologies of the future – so-called Web3 technologies. These technologies target the use of avatars, Augmented Reality (AR), Virtual Reality (VR) and Extended Reality (XR), thus enabling our customers to take disruptive approaches to expand their business models and fields. We enable our customers to enter the world of the Metaverse.

VIRTUAL FITTING & BODY MEASUREMENTS



Our self-developed 3D virtual fitting technology enables full-body measurement and creates precise avatars. This opens up new application possibilities for the fashion, fitness and health industries. Through our state-of-the-art body scanner systems, avatars can be easily transferred to the AvatarCloud App. This is how we are driving virtualization in brick-and-mortar retail and enabling new, digital use cases. Virtual fitting in the fashion sector, for example, helps to create a completely new shopping experience for end customers, enabling them to try on their own avatars before ordering and to determine the right size. Our solution thus helps to reduce returns, elevates the shopping experience to a new level, and increases customer satisfaction and our partners' profitability. And ultimately, we are contributing to greater sustainability in the fashion industry. And custom-fit, virtual try-ons are just the beginning!

VIRTUAL LIVE EVENTS



We take live shows to the next digital level – with fascinating virtual stages and unprecedented proximity and interaction between artists and the audience in virtual space. We connect artists and fans on a global, digital stage by streaming live concerts and gigs in virtual environments. Our production team creates experiences tailored to the artist, and fans have entirely new ways to interact with artists and other attendees in real time.

Our hybrid recording technology combines green screen and motion capturing with virtual environments to create unique virtual live events. We bring the artist or presenter closer to the audience as a real person or as his digital twin by precisely capturing gestures and facial expressions, creating immersive experiences. We also create the perfect scenery and create breathtaking virtual and interactive environments. In this way, we create unprecedented new virtual formats. For example, by hosting virtual concerts, artists are able to reach live audiences that previously could not afford or did not want to attend a real live concert, or that were beyond their reach. We are thus democratizing the world of concert and live events.

CONTENTS

| | |
|---|-----------|
| Foreword | 2 |
| <hr/> | |
| Interim Management Report | |
| ECONOMIC REPORT | 4 |
| MACROECONOMIC AND INDUSTRY DEVELOPMENT | 4 |
| EVENTS SIGNIFICANT TO THE COURSE OF BUSINESS | 4 |
| EARNINGS, FINANCIAL AND ASSET POSITION | 5 |
| FORECAST, OPPORTUNITY AND RISK REPORT | 7 |
| <hr/> | |
| Interim Financial Statements | 10 |
| <hr/> | |
| Condensed Notes | 13 |
| <hr/> | |
| Responsibility Statement by the Legal Representatives | 18 |
| <hr/> | |
| Review Report of the Auditor of the Financial Statements | 19 |
| <hr/> | |
| Further information | 21 |
| <hr/> | |

FOREWORD BY THE MANAGING DIRECTOR

Dear Shareholders,

The Metaverse is in the process of moving from hype to become a megatrend. Investors' and companies' interest in the evolution of the Internet has not only been growing since Facebook renamed itself Meta at the end of 2021 and many technology companies such as Microsoft, the Google parent company Alphabet and Disney have announced their own metaverse projects. With fashion shows in virtual worlds and digital collections, the fashion industry has pioneered the first steps toward the metaverse and the linking of the physical world with virtual realities. The metaverse has long been more than a buzzword in marketing. In the truest sense of the word, the metaverse, with its unlimited possibilities, opens up innovative brand experiences for customers and prospects as well as growth opportunities through new business areas and marketing channels for retail companies and the consumer goods industry. Our products strike at the heart of current developments here, even driving them forward. The general conditions could hardly be better for us. At the same time, we are operating in an area of tension for the economy as a whole. On the one hand, we are experiencing increasing demand for solutions for the evolution of the Internet, on the other hand, however, delivery problems caused by the ongoing global pandemic and the Ukraine conflict are leading to delays in the production of scanners and drastic increases in the cost of living are causing consumers to hold back on consumption and thus putting pressure on the retail sector.

This makes our scanners and avatar-based solutions all the more important for retailers to offer consumers a special shopping experience and enable targeted purchasing despite the impact on disposable income. This is precisely the challenge where we come into play: according to the experts at the management consultancy PwC, the decisive factor for a successful entry into the metaverse is to select the appropriate technologies based on the planned use case, just as we are demonstrating with our technology partnership with H&M Thailand, announced after the end of the reporting period in September. In doing so, we are advancing the stationary retail revolution with H&M Thailand, which we successfully launched and further developed with H&M beyond. in Berlin and Hamburg. From the beginning of 2023 on, H&M customers in Thailand will be able to have their own digital avatars created and then receive recommendations on which garment fits them best and in which size based on their scanned body measurements. This creates a new, exciting shopping experience, avoids long waits in front of the fitting rooms and reduces returns. By using our proprietary scanning technologies, we are able to create perfect digital twins and provide valuable customer insights that benefit both H&M Thailand and its customers. With our technologies, brick-and-mortar retail can be further reactivated and meet rising expectations on the consumer side. And along the way, we contribute to more sustainability in the fashion industry with our product.

The successful further development of our 3D Instagraph Fusion III body scanner for the bike market to calculate the best possible frame sizes and ideal settings of lifestyle and performance bikes according to individual body measurements as a further use case underscores the possibilities of our innovative scanner technology to simplify shopping in retail and to raise consulting to a new level of service. Thanks to its modular architecture, our proprietary hardware and software is technically capable of integrating further add-ons into the measurement, such as an additional weighing and body analysis process for more precise evaluation of training progress or the connection with an online store for a precisely fitting selection of bike clothing.

The increasing importance of avatar-based solutions and services is already reflected in the course of business in the first half of 2022. For example, we continued our cooperation with the game developer Konami and scanned well-known soccer teams from the top European leagues Bundesliga, Premier League, Primera División and Serie A. The two-year collaboration on the creation of high-quality avatars for the "eFootball(TM)" video game ensures continuous revenue contributions through 2023. In the gaming industry, where the highest demands are placed on the quality of avatars, the renewal of our long-standing partnership with Konami for one of the best-selling video game franchises is further proof of our expertise in this area.

With regard to protective measures against contagions, although the corona pandemic currently appears to be under control, the live concert industry has not yet been able to recover fully. Many people are still reluctant to attend large gatherings of people today. At the same time, the so-called Generation Z, which has grown up with digital worlds and games, is also growing in importance. Virtual concerts are made for this audience. Music labels and concert organizers and visitors are therefore showing more interest in these new virtual event formats. Virtual events are more than just alternative formats in times of crisis. They offer additional and completely new possibilities for experiences, without claiming to completely replace a real live concert.

In summary, our products and services put us in the right place at the right time – or should we say in the metaverse?

We can thus look forward to the remainder of the fiscal year with optimism.

NeXR Technologies SE

Berlin, September 2022



Markus Peuler
Managing Director

Interim Management Report

ECONOMIC REPORT

MACROECONOMIC AND INDUSTRY DEVELOPMENT

Overall economic development

According to the Kiel Institute for the World Economy (IfW), the outlook for the global economy deteriorated even further in the first half of 2022. After the recovery of global economic growth from the corona crisis stalled at the beginning of this year, the economy actually declined slightly in the period from April to June compared to the previous quarter. Causes included Russia's attacks on Ukraine, continuing supply bottlenecks due to China's strict no-COVID policy, and strong inflation.

According to the IfW, the German economy is experiencing a slowdown as a result of the Russian war on Ukraine. Expensive energy imports are putting a damper on what would otherwise have been a strong post-pandemic recovery. In addition to the burdens on energy-intensive industries, private households are feeling a considerable loss of purchasing power. In the second quarter, for example, the German economy achieved nominal growth of only 0.1% compared to the period from January to March.

Development of the industries

In its study entitled "Retail and consumer goods on the way to the metaverse," the consulting firm PwC considers the metaverse to be an evolution, not a revolution. According to the study, fashion shows in virtual worlds, the sale of purely digital collections of products, or trying on clothes on one's own avatar, i.e. the relocation of events, products, and stores to linked worlds of reality and virtual spaces, are only one of the first steps toward the metaverse. In countless online worlds, avatars can be outfitted with virtual equipment such as clothing and accessories. As a result, retailers and consumer goods manufacturers are showing growing interest in moving their products, offerings and online stores into a virtual world. Fashion manufacturers, for example, are already designing their products completely virtually, and furniture and fashion stores are offering apps so that customers can try on, test and visualize products virtually. The various use cases of NeXR Technologies for customers such as the clothing company H&M or the bicycle manufacturer and retailer ROSE Bikes are among the examples of the use of these innovative technologies. According to PwC, innovative technologies such as virtual/augmented reality (VR/AR), blockchain or artificial intelligence are the driving force behind this evolution and hold huge growth potential in their rapid further development. For example, the market for virtual reality technologies is expected to grow at annual rates of around 46% from around USD 36 billion to USD 192 billion in the period from 2021 to 2025.

EVENTS SIGNIFICANT TO THE COURSE OF BUSINESS

NeXR Technologies continued its cooperation with the game developer Konami, which was renewed in November of the previous year, in the first half of 2022 and scanned well-known soccer teams from the top European leagues Bundesliga, Premier League, Primera División and Serie A. The two-year cooperation on the creation of high-quality game-ready avatars for the soccer video game "eFootball(TM)" with the body scanning technology developed by NeXR Technologies itself ensures continuous revenue contributions through 2023.

In May 2022, NeXR Technologies presented another use case of its innovative scanner technology in collaboration with the bicycle manufacturer and retailer ROSE Bikes. The two companies successfully worked on a solution to measure individual body measurements for determining the proper frame sizes and ideal setup of lifestyle and performance bikes.

Revenues from green screen and motion capture technology also developed positively due to smaller productions in the fields of gaming, app development and showcases.

An extension of the financing commitments to now EUR 41 million by the shareholder Hevella Capital GmbH & Co. KGaA in February 2022 secures the ongoing investments in the further development of technology and customer-specific applications.

EARNINGS, FINANCIAL AND ASSET POSITION

Earnings position

Sales more than doubled to EUR 545 thousand in the reporting period (H1/21: EUR 147 thousand).

No **other own work capitalized** in connection with the manufacture of scanners was recognized (H1/21: EUR 175 thousand).

Other operating income of EUR 94 thousand (H1/21: EUR 32 thousand) mainly resulted from the reversal of provisions.

Cost of raw materials, consumables and supplies and of purchased goods, mainly material costs for the production of scanners, declined significantly to EUR 13 thousand (H1/21: EUR 195 thousand) due to supply difficulties.

The **costs of services purchased** fell significantly by 49% to EUR 352 thousand (H1/21: EUR 685 thousand) as a result of a change in provider of external development work and the resulting savings.

Personnel expenses increased by 13% to EUR 2,762 thousand (H1/21: EUR 2,449 thousand) in connection with the increase in headcount.

Depreciation and amortization of non-current assets remained at the previous year's level of EUR 1,272 thousand (H1/21: EUR 1,253 thousand).

Other operating expenses increased slightly by 4% to EUR 1,849 thousand (H1/21: EUR 1,785 thousand). Legal and advisory expenses increased to EUR 529 thousand (H1/21: EUR 405 thousand), in particular due to expenses in connection with the trading inclusion of shares from the capital increase in fiscal year 2021.

Interest and similar expenses increased to EUR 1,732 thousand (H1/21: EUR 1,392 thousand) due to the increased borrowing to finance the expansion of product development as well as general business activities.

The **operating loss before interest, taxes, amortization and depreciation (EBITDA)** decreased by 9% to EUR -4,337 thousand (H1/21: EUR 4,761 thousand).

Earnings after taxes (net loss for the period) improved slightly to EUR -7,342 thousand (H1/21: EUR 7,407 thousand).

Financial position

Principles and objectives of financial management

In order to cover the necessary liquidity requirements, the company is dependent on ongoing financing from equity and borrowed funds. Whereas at the beginning of the reporting period the company was still able to finance itself from the capital increase, it has now covered its financing requirements mainly by taking out loans from its shareholders.

Investments

In the reporting period, the company invested EUR 70 thousand (H1/21: EUR 283 thousand) in intellectual property rights, operating equipment and internally generated systems and equipment under construction. The deviation from the previous year is mainly due to supply chain-related delays in the production of scanners.

Liquidity

As of June 30, 2022, the company had cash and cash equivalents amounting to EUR 42 thousand (December 31, 2021: EUR 3,774 thousand). In addition to this, there were around EUR 13.8 million in free financial lines available as of the balance sheet date (December 31, 2021: around EUR 3.9 million).

Asset position

Total assets increased to EUR 48,670 thousand as of June 30, 2022 (December 31, 2021: EUR 46,293 thousand) due to borrowings to finance the operating losses.

As of the balance sheet date, the company's **non-current assets** decreased to EUR 2,799 thousand (December 31, 2021: EUR 4,014 thousand) as a result of goodwill impairment losses.

The company's **current assets** decreased by a total of approximately 88% to EUR 492 thousand (December 31, 2021: EUR 4,222 thousand). While raw materials and supplies increased by 79% to EUR 79 thousand due to the build-up of inventories for the construction of future scanners, cash and cash equivalents declined due to operating expenses.

The net loss not covered by **equity** increased to EUR 45,289 thousand as of June 30, 2022 (December 31, 2021: EUR 37,947 thousand) as a result of the operating loss situation.

Provisions increased slightly to EUR 1,332 thousand (December 31, 2021: EUR 1,230 thousand), in particular due to vacation provisions and the scheduled recognition of stock options.

Liabilities increased to EUR 47,338 thousand (December 31, 2021: EUR 45,063 thousand), mainly due to the ongoing debt financing by shareholders, and consisted mainly of liabilities to shareholders of EUR 35,836 thousand (December 31, 2021: EUR 34,004 thousand) and of convertible bonds of

EUR 3,500 thousand (December 31, 2021: EUR 3,500 thousand) and from advance payments received from the issue of tokens of EUR 6,505 thousand (December 31, 2021: EUR 6,436 thousand). Trade payables increased to EUR 1,264 thousand (December 31, 2021: EUR 884 thousand).

FORECAST, OPPORTUNITY AND RISK REPORT

OPPORTUNITY AND RISK REPORT

The opportunity and risk situation of NeXR Technologies SE has not changed significantly compared to the presentation in the Annual Report 2021, page 11 et seq.

Risks

Operational risks

The further development of the corona pandemic in the second half of 2022 cannot be estimated. Illness-related downtime, restrictions on business operations due to infection control measures and/or renewed lockdowns to contain the incidence of infection could lead to delays in the development of and work on projects and products.

The war in Ukraine, which has been going on since February 2022, could have an impact on the development, supply and marketing of the company's products. Neither Ukraine nor the Russian Federation represent direct sales markets for the company. Nevertheless, disruptions to the supply chain resulting from the war and ongoing embargo measures could lead to delays in the production, approval and marketing of products, as the company obtains components directly and indirectly from international suppliers for its hardware production.

With regard to the operating risks, the Managing Director assumes a medium probability of occurrence (2021: unchanged) and a medium impact (2021: unchanged) on the asset, financial and earnings position.

Liquidity risks

Liquidity risk is the company's main risk. Because it does not yet generate sufficient freely available liquidity, it continues to rely on financing from equity and debt.

The company continues to strive to provide itself with sufficient financial resources – whether by way of capital increase measures or through short- and long-term committed loans, convertible loans or convertible bonds.

With regard to liquidity risks, the Managing Director continues to assume a high probability of occurrence (2021: unchanged) and a high impact (2021: unchanged) on the asset, financial and earnings position.

Measures to hedge liquidity risks

Liquidity is tight at the balance sheet date, however the company is able to meet its payment obligations due to the continued support it receives from its main shareholder and due to the capital increase.

The company has initiated the following measures to safeguard liquidity in 2021:

The company completed the capital increase resolved in June 2021 in October 2021. As part of the subscription offer and the subsequent private placement, a total of 2,061,064 new no-par value bearer shares of the company, each representing EUR 1.00 of the issuer's share capital, were acquired by shareholders and investors at a price of EUR 2.45 per new share. The share capital of the company was increased to EUR 6,183,193 against cash contributions.

Since November 2018, the shareholder Hevella Capital GmbH & Co. KGaA has issued various financing commitments, which were increased to up to EUR 41 million as of the publication date. As of the balance sheet date, the company can still draw down around EUR 13.8 million from these financing commitments, which means that financing is secured until the third quarter of next year. Nevertheless, the company will subsequently require further liquidity/financing in order to be able to continue its business operations. The financing commitment is automatically reduced by future cash inflows from capital increases or other capital measures up to the delta between the financing commitment and the total amount of the loan paid out up to the time of the inflows.

The convertible bond in the amount of EUR 3.5 million from the shareholder Hevella Capital GmbH & Co. KGaA due for repayment or conversion on December 31, 2021, was extended until December 31, 2023, and the interest payment was deferred.

The Board of Directors constantly examines further options for financing the company. These could include convertible bonds, the raising of convertible loans or capital increases.

If the company does not succeed in implementing further measures to strengthen its own capital in the medium term and in maintaining or extending the financing commitments of the main shareholder, the continued existence of the company will be jeopardized.

With regard to the implementation of the measures to hedge the liquidity risks, the Managing Director assumes a medium to high probability of occurrence (2021: unchanged) and a high impact (2021: unchanged) on the asset, financial and earnings position.

Continuation risks

As of June 30, 2022, the company reported a net loss not covered by equity of approximately EUR 45 million and a cash position of EUR 42 thousand. Despite the measures taken to mitigate liquidity risks, the balance sheet situation could have a negative impact on the company's reputation, which could lead to a loss of qualified personnel, a reduction in creditworthiness, the impairment of customer relationships, the reduction of payment terms and the maturity of loans. In addition, due to the adverse balance, the company's management is required to constantly review the over debt status and to maintain a very short-term liquidity plan, which ties up management resources. Last, but not least, the continuation of the company's business is also based on the achievement of the operational development of customers

and marketable products, as described under operational risks in the Annual Report 2021. This combination of risks can lead to a significant threat to the continued existence of the company.

With regard to the overall going concern risks, the Managing Director assumes a medium probability of occurrence (2021: unchanged) and a high impact (2021: unchanged) on the asset, financial and earnings position.

FORECAST REPORT

FORECAST

The corona pandemic and the war in Ukraine continue to impact the company and the markets, leading to delays in the delivery of materials and in the completion of pilot projects and the acquisition of new customers. An expected increase in sales revenues from new customers and from the expansion of current partner relationships in the second half of 2022 could therefore be delayed.

In view of the continued good order situation of the motion capture studio in the gaming industry and smaller order developments as well as the expansion of the scanner business in Asia, the company is sticking to its original forecast from the Annual Report 2022 and continues to expect sales of EUR 0.8 million to EUR 1.3 million and EBITDA of EUR 9.2 million to EUR 9.6 million in fiscal year 2022.

INTERIM FINANCIAL STATEMENTS

PROFIT AND LOSS ACCOUNT

in EUR

| | H1/22 | H1/21 |
|--|--------------------|--------------------|
| 1. Sales | 545,052 | 146,770 |
| 2. Other own work capitalized | 0 | 174,652 |
| 3. Total output | 545,052 | 321,422 |
| 4. Other operating income | 93,605 | 31,822 |
| - thereof income from currency translation EUR 191 (EUR 1,211) | | |
| 5. Cost of materials | -365,141 | -880,422 |
| a) Cost of raw materials, supplies and goods purchased | -13,309 | -195,144 |
| b) Cost of services purchased | -351,832 | -685,279 |
| 6. Personnel expenses | -2,762,241 | -2,448,977 |
| a) Wages and salaries | -2,361,648 | -2,120,603 |
| b) Social security and pension costs | -400,593 | -328,374 |
| - thereof for pensions EUR 14,194 (EUR 6,529) | | |
| 7. Depreciation | -1,272,565 | -1,252,864 |
| a) on intangible fixed assets and property, plant and equipment | -1,272,565 | -1,252,864 |
| b) on current assets, insofar as these exceed the depreciation customary in a corporation | 0 | 0 |
| 8. Other operating expenses | -1,848,530 | -1,785,261 |
| - thereof expenses from currency translation EUR 2,475 (EUR 1,332) | | |
| 9. Other interest and similar income | 0 | 0 |
| 10. Interest and similar expenses | -1,731,800 | -1,392,167 |
| 11. Taxes on income and earnings | 1 | 0 |
| 12. Earnings after taxes | -7,341,618 | -7,406,446 |
| 13. Other taxes | 0 | -304 |
| 14. Net loss for the period | -7,341,618 | -7,406,750 |
| 15. Loss carried forward | -60,603,163 | -45,881,008 |
| 16. Accumulated deficit | -67,944,782 | -53,287,758 |

BALANCE SHEET

| ASSETS in EUR | June 30, 2022 | Dec. 31, 2021 |
|--|-------------------|-------------------|
| A. Fixed assets | | |
| I. Intangible assets | | |
| 1. Concessions, industrial property rights and similar rights and assets acquired against payment, as well as licenses to such rights and assets | 53,007 | 51,376 |
| 2. Goodwill | 2,298,792 | 3,448,144 |
| II. Property, plant and equipment | | |
| 1. Technical equipment and machinery | 218,548 | 263,125 |
| 2. Other equipment, factory and office equipment | 189,298 | 212,685 |
| 3. Advance payments and assets under construction | 38,783 | 38,783 |
| III. Financial assets | | |
| 1. Shareholdings | 101 | 101 |
| B. Current assets | | |
| I. Inventories | | |
| 1. Raw materials and supplies | 79,580 | 44,536 |
| 2. Work in progress, unfinished services | 21,196 | 21,196 |
| II. Receivables and other assets | | |
| 1. Trade receivables | 41,210 | 27,007 |
| 2. Other assets | 308,529 | 356,206 |
| - thereof with a remaining term of more than one year EUR 77,674 (EUR 128,634) | | |
| III. Cash on hand, Bundesbank balances, bank balances and checks | 41,615 | 3,773,580 |
| C. Prepaid expenses | 89,958 | 109,128 |
| D. Net loss not covered by equity | 45,289,089 | 37,947,471 |
| Balance sheet total | 48,669,706 | 46,293,339 |

BALANCE SHEET

| LIABILITIES in EUR | June 30, 2022 | Dec. 31, 2021 |
|--|-------------------|-------------------|
| A. Equity | | |
| I. Subscribed capital | 6,183,193 | 6,183,193 |
| II. Capital reserve | 16,472,499 | 16,472,499 |
| III. Loss carried forward | -67,944,782 | -60,603,163 |
| thereof loss carried forward from previous year EUR 60,603,163 (EUR 45,881,008) | | |
| Uncovered deficit | 45,289,089 | 37,947,471 |
| Book equity | 0 | 0 |
| B. Provisions | | |
| 1. Other provisions | 1,331,815 | 1,230,024 |
| C. Liabilities | | |
| 1. Bonds | 3,500,000 | 3,500,000 |
| - thereof convertible EUR 3,500,000 (EUR 3,500,000) | | |
| of which to shareholders EUR 3,500,000 (EUR 3,500,000) | | |
| - thereof with a remaining term of more than one year EUR 3,500,000 (EUR 3,500,000) | | |
| 2. Liabilities to banks | 0 | 8 |
| - thereof with a remaining term of up to one year EUR 0 (EUR 8) | | |
| 3. Advance payments received on orders | 6,505,330 | 6,436,419 |
| - thereof with a remaining term of more than one year EUR 6,505,330 (EUR 6,436,419) | | |
| 4. Trade payables | 1,263,892 | 883,630 |
| - Thereof with a remaining term of up to one year EUR 1,263,892 (EUR 883,630) | | |
| 5. Other liabilities | 36,068,669 | 34,243,257 |
| - thereof to shareholders EUR 35,835,523 (EUR 34,003,723) | | |
| - thereof from taxes EUR 79,558 (EUR 76,698) | | |
| - thereof social security EUR 1,543 (EUR 0) | | |
| - thereof with a remaining term of up to one year EUR 233,147 (EUR 239,535) | | |
| - thereof with a remaining term of more than one year EUR 35,835,523 (EUR 34,003,723) | | |
| Balance sheet total | 48,669,706 | 46,293,339 |

CONDENSED NOTES

A. GENERAL INFORMATION

NeXR Technologies SE is a European stock corporation (Societas Europaea) listed on the Regulated Market (General Standard, stock exchange: XETRA, Frankfurt) with its registered office in 10969 Berlin, Charlottenstraße 4, Germany (registration number HRB 158018, Local Court of Berlin Charlottenburg).

The company is a large corporation as defined by the provisions of Section 267 (3) sentence 2, German Commercial Code (HGB), in conjunction with Section 264d HGB. The Interim Financial Statements have been prepared in accordance with the accounting provisions of Section 242 et seq. and Section 264 d et seq. German Commercial Code (HGB) and the supplementary provisions of the Stock Corporation Act and Article 61 EU Regulation 2157/2001.

The income statement has been prepared using the nature of expense method in accordance with Section 275 (1) German Commercial Code (HGB).

As of June 30, 2022, the fully paid-in share capital of the company is divided into 6,183,193 no-par value bearer shares and amounts to EUR 6,183,193.00 as of the reporting date.

In the period under review, the company continued to develop individual products on behalf of customers, in addition to securing financing for business operations through arrangements with shareholders.

B. NOTES ON ACCOUNTING AND VALUATION METHODS

The accounting policies applied in the previous year have been retained.

These Interim Financial Statements do not contain all the information and disclosures required for the preparation of annual financial statements. Therefore, the Interim Financial Statements should be read in conjunction with the Annual Financial Statements for 2021.

Despite the tight liquidity situation at the time of preparation, accounting and valuation were based on the assumption that the company will continue as a going concern (Section 252 (1) No. 2 HGB). Due to the tight liquidity situation, the company has taken various measures to ensure solvency beyond 2022. If, contrary to the expectations of the Managing Director, the updated company planning is not achieved and the measures initiated and planned to secure liquidity and strengthen the equity situation cannot be successfully implemented, the company's continued existence as a going concern will be at risk.

1. FIXED ASSETS

The development of **fixed assets** and the acquisition costs of the individual items are shown in the Statement of Changes in Fixed Assets.

Intangible assets acquired for consideration have a carrying amount of EUR 2,352 thousand (previous year: EUR 3,450 thousand). The main component is goodwill resulting from the merger at fair value from 2016.

In the reporting period, **goodwill** was amortized on a scheduled basis to EUR 2,299 thousand. The remaining useful life is 1 year.

| in EUR | Intangible rights of use | Goodwill | Intangible assets | Property, plant and equipment | Financial assets | Fixed assets |
|--|--------------------------------|-------------------|----------------------|-------------------------------------|---------------------|-------------------|
| Acquisition/ Production costs | | | | | | |
| Balance on 01/01/2022 | 129,928 | 86,556,147 | 86,686,076 | 1,151,658 | 2,662 | 87,840,396 |
| Additions | 13,311 | 0 | 13,311 | 56,903 | 0 | 70,213 |
| Disposals | 2,521 | 0 | 2,521 | 70,089 | 0 | 72,610 |
| Transfers | 0 | 0 | 0 | 1 | | |
| Balance on 06/30/2022 | 140,718 | 86,556,147 | 86,696,866 | 1,138,472 | 2,662 | 87,838,000 |
| Accumulated depreciation | | | | | | |
| Balance on 01/01/2022 | 78,553 | 83,108,003 | 83,186,556 | 637,065 | 2,561 | 83,826,181 |
| Depreciation and amortization in the fiscal year | 11,678 | 1,149,353 | 1,161,030 | 111,535 | 0 | 1,272,565 |
| Disposals | 2,519 | 0 | 2,519 | 56,757 | 0 | 59,278 |
| Transfers | 0 | 0 | 0 | 1 | 0 | 1 |
| Balance on 06/30/2022 | 87,711 | 84,257,356 | 84,345,066 | 691,843 | 2,561 | 85,039,470 |
| Write-ups in the fiscal year | | | | | | |
| Carrying amount | | | | | | |
| 06/30/2022 | 53,008 | 2,298,792 | 2,351,800 | 446,629 | 101 | 2,798,529 |
| Carrying amount | | | | | | |
| 12/31/2021 | 51,375 | 3,448,144 | 3,499,519 | 514,594 | 101 | 4,014,215 |

2. CURRENT ASSETS

Inventories include STARAMBA.tokens (SST) and inventories of raw materials and supplies held by the company on the reporting date. They continue to be measured at acquisition or production cost.

Other assets amounting to EUR 309 thousand (previous year: EUR 356 thousand) mainly comprise VAT receivables for the current year and receivables from security deposits.

3. EQUITY

Equity as of June 30, 2022, has been used up. The net loss not covered by equity amounts to EUR 45,289 thousand (previous year: EUR 37,947 thousand).

The company launched a Virtual Stock Option Program in fiscal year 2019 (VSOP 2019). The stock option conditions of December 13, 2019, apply. The stock option program is based on the authorization of the Board of Directors by the Annual General Meeting of July 27, 2017. Virtual stock option rights have been issued in the following quantities through June 30, 2022:

| | |
|---------------------------|---------|
| Members of the management | 164,886 |
| Employees | 124,426 |
| External partners | 350,000 |

The obligations arising from the Stock Option Program as of June 30, 2022, are recognized under provisions.

4. DEBT CAPITAL

Provisions in the amount of EUR 1,332 thousand (previous year: EUR 1,230 thousand) mainly relate to provisions for outstanding invoices, personnel provisions and provisions for a Virtual Stock Option Program.

The **convertible bonds** remain unchanged at EUR 3,500 thousand. The related interest amount is reported under other liabilities and cumulatively amounts to EUR 900 thousand.

Advance payments received of EUR 6,505 thousand (previous year: EUR 6,436 thousand) mainly comprise payments received from token sales to the extent that they have not yet been redeemed for services rendered by NeXR Technologies SE (formerly Staramba SE).

Other liabilities amounting to EUR 36,069 thousand (previous year: 34,243) mainly include loan and interest liabilities to shareholders amounting to EUR 35,836 thousand with a term of 1 to 5 years.

As of the balance sheet date, there are **deferred tax liabilities** of EUR 368 thousand resulting from the difference between the goodwill recognized at fair value in the commercial balance sheet and at carrying amount in the tax balance sheet from the merger of Staramba SE and Staramba GmbH in 2016. As of the balance sheet date, these deferred tax liabilities are offset by higher deferred tax assets from loss

carryforwards of EUR 4,877 thousand and deferred tax assets from personnel provisions of EUR 11 thousand, which were recognized up to the amount of the deferred tax liabilities. No use has been made of the option to capitalize deferred taxes on loss carryforwards (excess of assets after offsetting against deferred tax liabilities). The calculations were based on a tax rate of 30.18%.

5. INCOME STATEMENT

Sales revenues of EUR 545 thousand (previous year: EUR 146 thousand) resulted from services in the area of Onpoint Studios, 3D Instagram and electronic services in the VRIDAY area.

Other own work capitalized in the first half of 2022 amounted to EUR 0 thousand (previous year: EUR 175 thousand).

Other operating income of EUR 94 thousand (previous year: EUR 32 thousand) mainly resulted from the reversal of provisions.

Scheduled amortization of EUR 1,149 thousand was recognized on the **goodwill** arising from the merger with Staramba GmbH that took place in 2016.

C. INFORMATION ON MEMBERS OF THE BOARD OF DIRECTORS AND THE MANAGEMENT

The company opts for the so-called monistic management system pursuant to Article 38 lit. b) SeVO. Since June 20, 2022, the Board of Directors has consisted of the following persons:

- Mr. Rolf Elgeti, businessman, Potsdam (Chairman of the Board of Directors)
- Mr. Achim Betz, Certified Public Accountant and Tax Consultant, Nürtingen (Vice Chairman of the Board of Directors, Chairman of the Audit Committee)
- Mr. Axel von Starck, Businessman, Hamburg
- Prof. Dr. Klemens Skibicki, Management Consultant, Cologne
- Dr. Markus Kreipl, Investment Manager and Private Lecturer, Hamburg

NeXR has had an Audit Committee pursuant to Section 324 (1), German Commercial Code (HGB) since February 19, 2019. The members are Mr. Achim Betz (Chairman) and Mr. Axel von Starck.

The company is represented by its Managing Directors:

Mr. Markus Peuler, Businessman, Berlin, has been the sole Managing Director since September 16, 2019.

Mr. Markus Peuler was not a member of any other supervisory boards or control bodies during the reporting period.

Mr. Rolf Elgeti was a member of the following supervisory boards and other supervisory bodies during the reporting period:

- Member of the Audit Committee of Bankhaus Obotritia GmbH
- Chairman of the Supervisory Board of TAG Immobilien AG
- Chairman of the Supervisory Board of Deutsche Leibrenten Grundbesitz AG
- Chairman of the Supervisory Board of Obotritia Hotel SE, Member of the Advisory Board of Laurus Property Partners GmbH
- Chairman of the Supervisory Board of Creditshelf AG
- Member of the Advisory Board of Highlight Event and Entertainment AG
- Chairman of the Board of Directors and CEO of OboTech Acquisition SE

Mr. Achim Betz was a member of the following supervisory boards and other supervisory bodies during the reporting period:

- Chairman of the Supervisory Board of Hevella Capital GmbH & Co. KGaA
- Chairman of the Audit Committee of Bankhaus Obotritia GmbH
- Deputy Chairman of the Supervisory Board of Deutsche Leibrenten Grundbesitz AG
- First Deputy Chairman of the Supervisory Board of Deutsche Konsum REIT-AG
- Second Deputy Chairman of the Supervisory Board of Deutsche Industrie REIT-AG

Mr. Axel von Starck was a member of the following supervisory boards and other supervisory bodies during the reporting period:

- Member of the Advisory Board of Credi2 GmbH
- Member of the Advisory Board of Doozer Real Estate Systems GmbH
- Member of the Advisory Board of Store2be GmbH

Dr. Markus Kreipl was a member of the following supervisory boards and other supervisory bodies during the reporting period:

- Member of the Advisory Board of ChargeX GmbH
- Member of the Advisory Board of Insurance Hero GmbH
- Non-Executive Board Member of InfinityQ Technologies Inc.

D. EVENTS AFTER THE END OF THE REPORTING PERIOD

No events of particular significance to the asset, financial or earnings position took place after the end of the reporting period.

NeXR Technologies SE

Berlin, September 30, 2022



Markus Peuler
The Managing Director

Responsibility Statement by the Legal Representatives

To the best of our knowledge, and in accordance with the applicable reporting principles for interim financial reporting, these Interim Financial Statements give a true and fair view of the asset, financial and earnings position of the company, and the Interim Management Report includes a fair review of the development and performance of the business and the position of the company, together with a description of the principal opportunities and risks associated with the expected development of the company for the remaining months of the fiscal year.

NeXR Technologies SE

Berlin, September 30, 2022



Markus Peuler
The Managing Director

Review Report of the Auditor of the Financial Statements

CERTIFICATION AFTER AUDIT REVIEW

We have reviewed the interim financial statements – comprising the balance sheet, the income statement and the condensed notes – and the interim management report of NeXR Technologies SE, Berlin, for the period from January 1 to June 30, 2022, which are part of the half-year financial report pursuant to Article 115 WpHG ("Wertpapierhandelsgesetz": German Securities Trading Act). The preparation of the interim financial statements in accordance with the German Commercial Code (HGB) and of the interim management report in accordance with the provisions of the German Securities Trading Act applicable to interim management reports is the responsibility of the company's management. Our responsibility is to issue a review report on the interim financial statements and on the interim management report based on our review.

We have reviewed the interim financial statements and the interim management report in accordance with German generally accepted standards for the review of financial statements promulgated by the Institute of Public Auditors (IDW). Those standards require that we plan and perform the review so that we can preclude through critical evaluation, with moderate assurance, that the interim financial statements have not been prepared, in all material respects, in accordance with the provisions of the German Commercial Code (HGB) applicable to interim financial reporting and that the interim management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act (WpHG) applicable to interim management reports. A review is limited primarily to inquiries of company personnel and analytical procedures and therefore does not provide the assurance attainable in a financial statement audit. Since, in accordance with our engagement, we have not performed a financial statement audit, we cannot express an audit opinion.

Based on our review, no matters have come to our attention that cause us to presume that the interim financial statements have not been prepared, in all material respects, in accordance with the provisions of the German Commercial Code (HGB) applicable to interim financial reporting nor that the interim management report has not been prepared, in all material respects, in accordance with the provisions of the German Securities Trading Act (WpHG) applicable to interim management reports.

We refer to Note B. in the condensed notes and to the disclosures in the opportunities and risks report of the interim management report, in which the legal representatives describe that the company is in a tight liquidity situation. As described in Note B. in the condensed notes and in the opportunities and risk report of the interim management report, these events and circumstances indicate the existence of a

material uncertainty with regard to the achievement of corporate planning and necessary capital measures, which may cast significant doubt on the company's ability to continue as a going concern and represent a going concern risk within the meaning of Article 322 (2) sentence 3 of the German Commercial Code (HGB).

Frankfurt/Main,
September 30, 2022

RSM GmbH
Wirtschaftsprüfungsgesellschaft
Steuerberatungsgesellschaft

D. Hanxleden
Auditor

A. Kramer
Auditor

DISCLAIMER

The Interim Financial Statements and Interim Management Report of NeXR prepared by the Managing Director take into account all circumstances occurring after the end of fiscal year 2021 and up to the date of preparation.

The Interim Management Report contains forward-looking statements. Actual results may differ materially from expectations of future developments.

CONTACT

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TEXT AND EDITING:

NeXR Technologies SE / CROSS ALLIANCE communication GmbH

DESIGN AND REALIZATION:

CROSS ALLIANCE communication GmbH

2022 FINANCIAL CALENDAR

| | |
|--------------------|---|
| September 30, 2022 | Publication of the Half-year Financial Report |
| June 20, 2022 | Annual General Meeting |
| April 13, 2022 | Publication of the 2021 Annual Report |

SHARE INFORMATION

| | |
|--|----------------------------|
| Share capital | EUR 6,183,193 |
| Number of shares | 6,183,193 |
| WKN (Securities Identification Number) | A1K03W/A3E5EW |
| ISIN | DE000A1K03W5 /DE000A3E5EW2 |
| Bloomberg | DE000A1K03W5 /DE000A3E5EW2 |
| Share class | No-par value share |
| Stock exchange segment | General Standard |
| Stock markets | XETRA, Frankfurt |
| Designated Sponsor | BankM AG |



NEXR

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