

Declaration on corporate governance

The Board of Directors reports on corporate management and corporate governance in accordance with item 3.10 of the German Corporate Governance Code and Section 315d of the German Commercial Code in conjunction with Section 289f of the German Commercial Code.

A. Declaration pursuant to § 161 AktG

**Updated
Statement by the Management Board and the Executive Director
der Aladdin Healthcare Technologies SE
on the recommendations of the
"Government Commission on the German Corporate Governance Code
pursuant to § 161 AktG**

I.

Since issuing the last declaration of compliance pursuant to Section 161 of the German Stock Corporation Act (AktG) on March 29, 2019, Aladdin Healthcare Technologies SE has complied with all recommendations of the version of the Code dated February 7, 2017, published by the Federal Ministry of Justice in the official section of the Federal Gazette on April 24, 2017, with the special features outlined below due to the monistic system of Aladdin Healthcare Technologies SE and the following deviations:

Special features of the monistic system:

As a European company (Societas Europaea - SE), the company has a monistic management and control structure. The administrative board manages the company, determines the basic lines of its activities, monitors their implementation and has the other tasks and powers arising from § 22 SEAG. The Executive Directors manage the Company's business by implementing the basic principles and guidelines laid down by the Administrative Board.

Aladdin Healthcare Technologies SE applies the provisions of the Code applicable to the Supervisory Board to the Administrative Board and those concerning the Management Board to the Executive Directors. The following exceptions apply with regard to the legal structure of the monistic system:

- Notwithstanding section 2.2.1 sentence 1 of the Code, the administrative board must submit the annual financial statements and the consolidated financial statements to the general meeting of shareholders, section 48 (2) sentence 2 SEAG.
- Contrary to 2.3.1 sentence 1 and 3.7 paragraph 3 of the Code, the administrative board is responsible for convening the annual general meeting, §§ 48 and 22 paragraph 2 SEAG.
- The tasks of the Executive Board contained in sections 4.1.1 (management of the company), 4.1.2 in conjunction with 3.2 half-sentence 1 (development of the strategic orientation of the company) of the Code are the responsibility of the Administrative Board, section 22 (1) SEAG.
- The voting rights set out in 2.3.2 sentence 2 (proxy voting according to instructions), 3.7 paragraph 1 (opinions on a takeover bid) and paragraph 2 (Conduct in the event of a takeover bid) as well as 3.10 (Corporate Governance Report), 4.1.3 (Compliance) and 4.1.4 (Risk Management and Controlling) of the Code are the responsibility of the Administrative Board, section 22 (6) of the SEAG.
- Notwithstanding clauses 5.4.2 and 5.4.4 of the Code, members of the administrative board may be appointed as executive directors provided that the majority of the administrative board continues to consist of non-executive members, section 40 (1) sentence 2 SEAG.

Deviations

-Item 3.8: D&O insurance: The Company does not currently have a D&O insurance policy, but the Company intends to take out one. This insurance should provide for a deductible for the Executive Directors of 10%, but not more than 1.5 times their fixed annual remuneration.

- Point 4.1.3: Whistleblower system: In our opinion, the establishment of a complex whistleblower system is not appropriate due to the small number of employees and the one-tier hierarchical structure of the company. In the event of indications of violations of the law within the company, employees have the option of contacting the Managing Director or the Board of Directors directly in confidence.

- Item 4.1.5 According to recommendation 4.1.5 of the Code, diversity should be taken into account when filling management positions in the company and, in particular, appropriate consideration should be given to women. Due to the small number of employees at the company and the lack of two management levels below the managing directors, diversity and an appropriate proportion of women have not been explicitly taken into account when filling management positions.

- Paragraph 4.2.5: Use of model tables: The Company does not use the model tables annexed to the Code to disclose the total remuneration of the Executive Directors. The Board of Directors considers that it is possible to disclose the total remuneration of the Executive Directors in full and in a form that is comprehensible to the general public, even in a different form.

-number 5.1.2: Composition of management: Only one managing director is appointed to the company. The setting of targets should not be considered until several Managing Directors have been appointed. The Board of Directors considers the appointment of the Executive Director for a period of 5 years to be necessary to ensure the success of the Company. The Board of Directors does not consider an age limit necessary in view of the current management structure.

- Section 5.1.3 The Board of Directors has not yet adopted rules of procedure for itself, as it considers cooperation on the basis of the provisions of the Articles of Association to be sufficient, taking into account the size of the company.

-number 5.3: Board Committees: The Board of Directors consists of three members, so the formation of committees would not lead to efficiency gains. We consider the number of Board members to be sufficient in view of the size of the company.

-Point 5.4.1: Age limit: No age limit has been set for members of the Board of Directors. In view of the age of the Board members and the remaining term of office, we do not believe there is any reason to set an age limit. No age limit has been set for members of the Board of Directors and in our opinion, given the shareholder structure, this is not appropriate.

-Point 7.1.2: The aim is to prepare consolidated financial statements and interim reports within the to publish the information within the time limits laid down by law. The Company has already missed the statutory deadlines for disclosure on several occasions.

II.

On 20 March 2020, the new German Corporate Governance Code in the version dated 16 December 2019 was published

by the Federal Ministry of Justice in the official section of the Federal Gazette.

Aladdin Healthcare Technologies will comply with the recommendations of the Code in its version dated December 16, 2019 in the future, with the special features outlined below due to the monistic system of Aladdin Healthcare Technologies SE and with the following exceptions:

Special features of the monistic system:

As a European company (Societas Europaea - SE), the company has a monistic management and control structure. The administrative board manages the company, determines the basic lines of its activities, monitors their implementation and has the other tasks and powers arising from § 22 SEAG. The Executive Directors manage the Company's business by implementing the basic principles and guidelines laid down by the Administrative Board.

Aladdin Healthcare Technologies SE applies the provisions of the Code applicable to the Supervisory Board to the Administrative Board and those concerning the Management Board to the Executive Directors. The following exceptions apply with regard to the legal structure of the monistic system:

- The considerations set out in the principles regarding the management of the company (e.g. Principle 2 (development of the strategic orientation of the company) and the related tasks of the executive board are the responsibility of the administrative board, section 22 (1) SEAG
- Notwithstanding section A.5 of the Code, the administrative board is responsible for convening the annual general meeting, sections 48 and 22 (2) SEAG.
- The responsibilities of the Executive Board regulated in A.2 (Compliance Management System) of the Code are the responsibility of the Administrative Board, section 22 (6) SEAG.

Deviations

- A. 1: Diversity: According to recommendation A1 of the Code, diversity should be taken into account when filling management positions in the company. Due to the small number of employees at the company, the focus will continue to be on ensuring that candidates are recruited with the skills, knowledge and experience required for the job. In contrast, the Board of Directors considers criteria such as the gender of the candidate to be of secondary importance, even though diversity is expressly welcomed.

- A. 2: Compliance Management System and whistleblower system: According to Recommendation A2, that of the Basic Principles of the Compliance Management System should be disclosed and employees should be given the opportunity, in an appropriate manner, to provide protected information about legal violations in the company; third parties should also be given this opportunity. Due to its size, the company currently only has general compliance principles which it is working to publish. In our opinion, the establishment of a complex whistleblower system is not appropriate due to the small number of employees and the company's single-tier hierarchical structure. In the event of indications of legal violations within the company, employees or third parties have the option of contacting the Managing Director or the Board of Directors directly in confidence.

- B. 1 Diversity: Recommendation B1 states that diversity should be taken into account in the composition of the Executive Board. Only one Managing Director is appointed by the company.

- B.2 Succession Planning: The Board of Directors should work with Managing Directors to ensure long-term succession planning; the procedure should be described in the Corporate Governance Statement. Given the current age structure of management, the Board of Directors does not consider it necessary to carry out succession planning.

- B. 5 Age limit: The Board of Directors does not consider an age limit to be necessary in view of the current management structure.

- C1 Objectives for Composition: According to recommendation C1, the Board of Directors should set concrete objectives for its composition and develop a competence profile for the whole body. In doing so, the Board should take diversity into account. Proposals of the board of directors to the general meeting should take these objectives into account and at the same time aim to fill out the

competence profile for the entire board. The status of implementation should be published in the corporate governance statement. This should also provide information on the number of independent shareholder representatives deemed appropriate by the shareholder representatives on the Board of Directors and the names of those members. The Board of Directors has not currently developed a competence profile and is considering doing so in the course of 2021.

C.2 Age limit: Recommendation C2 recommends that an age limit be set for directors and indicated in the corporate governance statement. The Board of Directors does not consider an age limit to be necessary due to its current composition.

C.6 and C.7 Independence of Directors: The Board of Directors does not include the number of independent members proposed by the Code. As the Board members are appointed by the General Meeting of Shareholders, it is expected that the shareholders will want the Board to be composed in accordance with the current composition.

D2, D3, D4 and D5: Board Committees: The Board of Directors consists of three members, so that the formation of committees would not lead to efficiency gains. We consider the number of Board members to be sufficient in view of the size of the company.

D7:As the Executive Director is also a member of the Administrative Board, the Administrative Board cannot meet regularly without the Executive Director.

D12: continuing training: The company supports the members of the Board of Directors in principle in their inauguration and in the necessary training and further training measures, but has neither laid down a formal procedure for this nor adopted any guidelines. In addition, it is unclear which conditions are required by Recommendation D.12 for the Company to consider support for the induction, education and training of the Directors as appropriate. As a precautionary measure, a deviation from Recommendation D.12 is therefore declared.

D 13: Self-assessment: the Board of Directors is currently evaluating various formal procedures to assess the effectiveness of the Board's performance. Once such a procedure has been selected, it should be implemented promptly. Subsequently, the Board of Directors will report on how this self-assessment was carried out in the corporate governance statement.

F.2:Publication of financial information: According to the recommendation, the consolidated financial statements and the consolidated management report should be publicly accessible within 90 days of the end of the financial year, and the mandatory financial information during the year should be publicly accessible within 45 days of the end of the reporting period. The company aims to comply with the statutory deadlines for publication.

G1 to G18 Compensation: The compensation of the Executive Director will comply with the legal requirements but will not follow the non recommendations of the Code due to the size and structure of the Company.

The above declaration of compliance is published on our website and available for download.

14 December 2020

Wade Menpes-Smith

Managing Director



B. Corporate Governance Report

Shareholdings of members of the Board of Directors and Executive Director

The shareholdings are as follows:

	Number of shares
The Administrative Board	
Wade-Menpes-Smith	3,494,000
Bimal Shah (through Elemental Concept 2016 Ltd)	114,500
Alexander Badenoch	600,000
Managing Director	
Wade Menpes blacksmith	See above.

Composition of the Administrative Board

The board of directors should include practical management experience, experience in industry, and business and legal knowledge. The current composition of the Board is in line with these objectives.

Avoidance of conflicts of interest

No conflicts of interest arose for the Executive Director and members of the Board of Directors during the year.

Accounting and auditing

Aladdin Healthcare Technologies SE prepares its financial statements in accordance with the provisions of the German Commercial Code (*HGB*) and the German Stock Corporation Act (*AktG*). The consolidated financial statements have been prepared in accordance with the principles of the International Financial Reporting Standards, as applicable in the EU, and the supplementary provisions of Section 315e (1) HGB.

In principle, the Annual General Meeting of Aladdin Healthcare Technologies SE appoints the auditor. Warth & Klein Grant Thornton AG, Hamburg, was appointed as the auditor of Aladdin Healthcare Technologies SE for the 2019 financial year by the relevant register court at Charlottenburg Local Court. At no time did business, financial, personal or other relationships exist between the auditing company and its executive bodies and audit managers on the one hand and Aladdin Healthcare Technologies SE and its executive body members on the other hand, which could give rise to doubts about the independence of the auditing company. On the basis of the election of the auditor by the Annual General Meeting or, in the case of a court appointment as for the 2019 financial year, the Administrative Board of Aladdin Healthcare Technologies SE commissions the auditor to carry out the audit and concludes the fee agreement with the auditor. When issuing the audit mandate, the Administrative Board also agrees with the auditor on the reporting obligations in accordance with the German Corporate Governance Code.

The auditor takes part in the Board of Directors' discussions of the annual and consolidated financial statements and reports on the main findings of his audit.

Long-term bonus programme/securities-based incentive systems

The company does not have a bonus scheme for employees and the managing director.

Information on corporate governance practices

The members of the Board of Directors and the Managing Director conduct the Company's business with the diligence of a prudent and conscientious manager in accordance with the law and the Articles of Association of Aladdin Healthcare Technologies SE. There are no other publicly available corporate governance practices.

Working methods of the Administrative Board and Executive Director

The Administrative Board manages the company, determines the basic principles of its activities, monitors its implementation and has the additional tasks and powers arising from section 22 of the SEAG. The managing director manages the company's business by implementing the basic principles and guidelines laid down by the administrative board. Mr. Wade Wenpes-Smith was appointed Executive Director by resolution of the Board of Directors for a term of five years from 3 November 2017. There is no statutory co-determination in the Company; all members of the Board of Directors are therefore shareholder representatives.

The only subsidiary has its own management, which in some cases also holds shares in the company. The management of Aladdin Healthcare Technologies SE and that of the subsidiary cooperate closely in the development of the company concerned.

Target values for the proportion of women

In filling positions in the management of Aladdin Healthcare Technologies SE and in the two management levels below the Executive Director, the Board of Directors is subject to the legal requirements for public companies to ensure that the candidate has the skills, knowledge and experience necessary for the work of management. In contrast, criteria of the board of directors such as the gender of the candidate, even if diversity is explicitly welcomed, are of secondary importance. The Board believes that the long service of the Directors and the Executive Director is of great value to the Company and therefore does not intend to make transfers based on gender quota alone. The target rate of 0% for female Directors and female Executive Directors therefore remains. The target rate for the two levels of management below the Executive Director remains 0%.