

Report of the Board of Directors of Aladdin Blockchain Technologies Holding SE

In the following report, the Board of Directors of Aladdin Blockchain Technologies Holding SE (the “**Company**”) provides information on the focal points of its activities in the past 2017 financial year.

Advisory and monitoring focal points

In the reporting year from 1 January 2017 to 31 December 2017 the Company developed its strategic orientation and did not conduct any operating business. In the reporting year from 1 January 2017 to 31 December 2017 the Board of Directors performed the duties incumbent upon it under the law and the Articles of Association and was involved in all matters relating to the strategic orientation of the Company.

The Board of Directors managed the Company and carefully and regularly monitored the activities of the Executive Director. For this purpose, the Executive Director reported regularly, comprehensively and promptly on the development of the strategic orientation of the Company in meetings as well as through additional verbal and written reports. The reports were prepared in accordance with the requirements of Section 40 of the German SE-Implementation Act (SEAG) in conjunction with Section 90 of the German Stock Corporation Act (AktG).

The Chairman and other members of the Board of Directors also advised the Executive Director in individual discussions. With regard to individual points, the Board of Directors requested reports on its own initiative, which were submitted promptly, comprehensively and in due form. Due to the size of the Board of Directors, no committees were set up.

The Board of Directors held 3 meetings in the reporting year. All members of the Board of Directors participated in the respective meetings. The Board of Directors deemed additional meetings in the reporting year not necessary since the Company still developed its strategic orientation and conducted only very limited operating activities in the reporting year. In the reporting year, the members of the Board of Directors discussed the development of the strategic orientation of the Company together with the Executive Director on a regular basis.

For all transactions requiring approval, the Board of Directors has received meaningful written proposals for decisions. In addition, urgent resolutions were passed by written procedure. If required by law or the Articles of Association, the Board of Directors, after its own examination, approved the reports and resolution proposals of the Executive Director.

Management, monitoring and consulting focal points, meetings

At its meeting on 26 June 2017, the Board of Directors, after own thorough examination, approved the financial statements for the 2016 financial year presented by the Executive Director.

At its meeting on 3 November 2017, the Board of Directors convened to its initial meeting after the former members of the Board of Directors had resigned from office and the general meeting of the Company had appointed, by way of the resolution of the same day, Mr Wade Menpes-Smith, Mr Bimal Shah and Mr Alexander Brunton Badenoch as members of the Board of Directors. All members participated in the board meeting and voted on the appointed of Mr Wade Menpes-Smith as chairman of the board of directors and Mr Bimal Shah as deputy chairman of the Board of Directors. Further, the Board of Directors appointed Mr Wade Menpes-Smith as sole managing director of the Company.

At its meeting on 6 December 2017, the Board of Directors dealt with the details of the envisaged capital increase by up to EUR 1,150,000.00 to up to EUR 1,450,000.00 and passed the corresponding resolutions in connection therewith including the amendment of the articles of association to the extent of the execution of the capital increase.

Corporate governance

In the reporting year from 1 January 2017 to 31 December 2017, the Company was not required to make a declaration of compliance with the German Corporate Governance Code pursuant to Art. 9 (1) (c) (ii) of the SE Regulation in conjunction with Section 161 of the German Stock Corporation Act (AktG), as the shares of the Company were not admitted to trading on a regulated market during this period.

Mandate for statutory auditor

The Board of Directors mandated the statutory auditor Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Munich, Germany, who was appointed by the general meeting on 3 November 2017.

Financial statements

The financial statements of the Company for the 2017 financial year (1 January 2017 to 31 December 2017), prepared by the Executive Director in accordance with the rules of the

German Commercial Code (HGB), were audited by Baker Tilly GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Munich, Germany, and issued with an unqualified audit opinion on 4 May 2018.

The documents relating to the financial statements and the auditor's reports were made available to all members of the Board of Directors in good time before the meeting of the Board of Directors at which the financial statements were discussed.

The auditor took part in the meeting of the Board of Directors at which the financial statements were discussed, reported in detail and comprehensively on the course and key results of its audits and was available to provide additional information.

As part of its responsibility to audit the early risk detection system set up in accordance with Section 91 (2) of the German Stock Corporation Act (AktG), the Board of Directors was regularly informed by the Executive Director of all relevant risks to the Company and had a summary report submitted. At its meeting on 22 May 2018, the Board of Directors again dealt in detail with the installed early risk detection system and, after a detailed examination, came to the conclusion that the early risk detection system is suitable for the early detection of developments that could endanger the continued existence of the Company.

The Board of Directors analysed and examined in detail in the presence of the auditor the financial statements of the Company for the financial year 2017. It noted and approved the audit result of the auditor and raised no objections after its own examination of the financial statements.

At its meeting on 22 May 2018, the Board of Directors approved the financial statements prepared by the Executive Director. The financial statements are thus adopted.

Changes in the composition of corporate bodies

The general meeting of the Company on 3 November 2017 appointed Mr. Wade Menpes-Smith, Mr. Bimal Shah and Mr. Alexander Brunton Badenoch as members of the Board of Directors. Their term of office ends at the end of the general meeting which resolves on the closing of the 2021 financial year. The former members of the Board of Directors resigned from office at the end of the general meeting of the Company on 3 November 2017.

By resolution of 3 November 2017, the Board of Directors appointed Mr. Wade Menpes-Smith as sole Executive Director for a period of five years from 3 November 2017. The former sole

Executive Director Mr. Fritz Alex Wick resigned from office at the end of the general meeting of the Company on 3 November 2017.

There were no other personnel changes in the Board of Directors or in the Executive Director in the reporting year.

Berlin, 7 November 2018

Aladdin Blockchain Technologies Holding SE

The Board of Directors