Half-Year Financial Report 2020

Aladdin Healthcare Technologies SE

These interim financial statements and the management report of the Company have **not been reviewed by an** auditor.

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Foreword by the Managing Director

Dear Shareholders,

With the publication of the report for the first half of 2020, I would like to take the opportunity to inform you about both the progress and the positioning of the business.

Highlights in the first six months of the current financial year include:

- We have developed a prototype for the early diagnosis of Alzheimer's disease based on blood test results. The AI diagnosis is based on a non-invasive blood test that can provide an instant diagnosis for health screening of several age-related diseases. We have achieved 85% accuracy in diagnosing Alzheimer's disease with our AI model based on blood test results. These diagnoses are now being validated through our extensive and industry-leading hospital network.
- The company has appointed Professor David C. Rubinsztein as Chief Scientific Advisor. David is Deputy Director of the Cambridge Institute of Medical Research, Professor of Molecular Neurogenetics at the University of Cambridge and Professor at the UK Dementia Research Institute. His research interests are in autophagy and neurodegeneration. He is a Fellow of the Royal Society and the Academy of Medical Sciences. David is a highly cited researcher by Clarivate Analytics and Thomson Reuters. He has published more than 390 papers, including studies in well-known international journals such as Nature and Cell, with more than 75,000 Google Scholar citations.
- Aladdin has developed a Health Risk Assessment Tool (HRA) as a web and mobile application to manage COVID-19 risk assessment for global use. The HRA tool combines both artificial intelligence (AI) and augmented reality (AR) to open up new possibilities in COVID-19 risk management for businesses and individuals. Aladdin will initially roll out the technology in India. It is expected that the tool will be available in the market by the end of the second quarter of 2020 and will then be rolled out in other countries. Specifically, the AI application provides users with a real-time risk assessment of individuals infected with the coronavirus. In addition, the application can take further steps in their treatment. For example, it shows whether doctors are available for a video consultation and the nearest available hospital for treatment. At the same time, the AI suggests suitable further treatment measures and gives lifestyle tips. Aladdin has long been active in the important Indian market. Together with the OurHealthMate (OHM) medical platform, Aladdin has already built a diabetes and cardiovascular risk prediction tool in India. In addition, OHM will also integrate the risk assessment platform into its ecosystem, enabling Aladdin's application to be used by more than 2,000 healthcare partners. These include large hospital operators and health insurers.

- The Company had decided on 6 April 2020 that it would carry out the capital increase to the extent that new shares were subscribed for in the subscription offer (including oversubscriptions by existing shareholders). To this extent, the Company issued a total of 8,238 new shares and the share capital of the Company was increased by EUR 8,238.00 from the current EUR 11,450,000.00 to EUR 11,458,238. Shareholders who subscribed or oversubscribed more than five new shares in the subscription offer will receive 2 bonus shares for every 5 new shares subscribed.

We have built an AI and data science development team from Europe, China and India. These individuals bring unparalleled healthcare networks and partners that give Aladdin credibility in the healthcare industry. As demonstrated by other healthcare technology companies, the successful completion of an 'alpha product' leads to a dramatic increase in enterprise value, which Aladdin aims to achieve in the second half of 2020 and into 2021.

Berlin, May 2021

Wade Menpes-Smith

Managing Director

The share

PRINCIPAL CAPITAL	EUR 11,458,238
NUMBER OF SHARES	11,458,238 no-par value bearer shares
EXCHANGE	Düsseldorf (Regulated Market), Xetra, Frankfurt, Berlin, Munich
MARKET SEGMENT	Regulated market
WKN	A12ULL
ISIN	DE000A12ULL2
TICKER-SYMBOL	NMI
ACCOUNTING STANDARD	IFRS
BUSINESS YEAR	Calendar year

Share analysis

Currently, Aladdin Healthcare Technologies SE was not covered by research firms in the first half of 2020 as the company did not have a budget for investor research. We have since signed a mandate with First Berlin Equity Research to cover the company in the second half of 2020.

Investor Relations

The goal of Aladdin's investor relations work is to achieve a fair share valuation on the capital market. In the year to 31 December 2020, we have achieved this through continuous and transparent dialogue with all market participants and by providing accurate valuation-related information.

Interim management report for the period 1 January to 30 June 2020

I. Information about the Group

1. Composition and structure of the company

Aladdin Healthcare Technologies SE (Aladdin SE or the Company) is a holding company and the parent company of the Group. Aladdin SE has its registered office address at Unter den Linden 10, 10117 Berlin, Germany.

The sole subsidiary of the Company is Aladdin Healthcare Technologies Ltd (Aladdin Ltd). The Company holds all shares in Aladdin Ltd. The Group's operations are conducted exclusively by Aladdin Ltd. Aladdin Ltd's field of activity is the provision of technological solutions for the healthcare sector. Aladdin Ltd. specialises in technologies such as blockchain, machine learning and artificial intelligence.

Aladdin Ltd. was incorporated in November 2017 and was acquired by the Company in March 2018 by way of a reverse acquisition. Aladdin Ltd. has its registered office at Epworth House, 25 City Road, London, EC1Y 1AA, United Kingdom ("Aladdin Ltd.").

2. Business model

The updated business model was described in detail in the 2019 Group Report. Our updated business model is to become a healthcare technology group (Aladdin) that develops proprietary products based on machine learning technologies for the healthcare industry. Aladdin is committed to research and development activities to develop products that can improve medical screening, early diagnosis, accelerate clinical trials and the drug development process for certain age-related diseases such as Alzheimer's disease.

3. Strategic goals

Launched in February 2019, our goal is to become a healthcare technology company focused on the next generation of breakthroughs in age-related diseases, accelerating the discovery of novel therapeutics and diagnostics that can advance the treatment of multiple age-related diseases using artificial intelligence.

In addition, we aim to improve upstream disease detection, enable better clinical diagnosis, drive innovation in the development of new medicines and give patients access to more affordable treatments by using proprietary artificial intelligence and new autonomous technologies described in the software descriptions below.

Validation of these products we are developing will be done by using the technologies in trials to prove that they are successful and can be used in industry. If these trials are successful, we will seek validation by industry by publishing the results in scientific journals and publications.

Using machine learning and advanced predictive data analytics, as well as multimodal analysis (the combination of multiple sources of medical data) of "omics" data and medical image recognition, we at Aladdin are using artificial intelligence platforms to perform early diagnosis of some of the world's most prevalent chronic diseases. Omics are novel, comprehensive approaches to analysing complete genetic or molecular profiles of humans and other organisms. Unlike genetics, for example, which focuses on individual genes, genomics focuses on all genes (genomes) and their interrelationships.

The main expected benefits of these technologies and tools are significant cost savings for the public health system and hospitals, faster processing of health insurance claims, more accurate prediction of disease and a much higher level of health data security, as well as the benefits of making health data easier to share and manage, empowering patients to manage and control their own data.

The Group is currently focused on research and development which, when completed, will open up opportunities for business-to-business and business-to-consumer revenue streams. Upon completion of reference development and the corresponding acceptances, we expect to generate royalties from artificial intelligence software or pay-per-diagnosis tools.

4. Research and development

The Group's R&D focuses on proprietary products built on underlying technologies. These are emerging technologies such as blockchain, machine learning and artificial intelligence. An overview of the current R&D projects was fully outlined in the 2019 Group Report.

Expenses for research and development

Research and development expenditure of £106.1k was paid to Mind Rank Ltd, a related party, to fund development with subcontractor Imperial Institute of Advanced Technology (IIAT) for the Early Diagnosis, Drug Discover and Knowledge Graph platforms.

II. Economic Report

1. Business performance

Preamble

According to management, the company has succeeded in bringing together an industry-leading scientific advisory board and a world-leading technology development team. The company has also secured a global partner network with ethical access to extensive health and lifestyle data. The next phase the company is currently in is the development of AI-powered software tools, as described above, for validation and subsequent use by our partners worldwide..

Development of the business trend

During the reporting period, Aladdin has seen positive commercial developments. We developed a prototype for the early diagnosis of Alzheimer's disease based on blood test results. The AI diagnosis is based on a non-invasive blood test that can provide an instant diagnosis for health screening of several age-related diseases. We have achieved 85% accuracy in diagnosing Alzheimer's disease with our AI model based on blood test results. These diagnoses are now being validated through our extensive and industry-leading hospital network.

The company has appointed Professor David C. Rubinsztein as Chief Scientific Advisor. David is Deputy Director of the Cambridge Institute of Medical Research, Professor of Molecular Neurogenetics at the University of Cambridge and Professor at the UK Dementia Research Institute. His research interests are in autophagy and neurodegeneration. He is a Fellow of the Royal Society and the Academy of Medical Sciences. David is a highly cited researcher by Clarivate Analytics and Thomson Reuters. He has published more than 390 papers, including studies in well-known international journals such as Nature and Cell, with more than 75,000 Google Scholar citations.

Aladdin has built a Health Risk Assessment Tool (HRA) as a web and mobile application to manage COVID-19 risk assessment for global use. The HRA tool combines both artificial intelligence (AI) and augmented reality (AR) to open up new possibilities in COVID-19 risk management for businesses and individuals. Aladdin will initially roll out the technology in India. It is expected that the tool will be available in the market by the end of the second quarter of 2020 and will then be rolled out in other countries. Specifically, the AI application provides users with a real-time risk assessment of individuals infected with the coronavirus. In addition, the application can take further steps in their treatment. For example, it shows whether doctors are available for a video consultation and the nearest available hospital for treatment. At the same time, the AI suggests suitable further treatment measures and gives lifestyle tips. Aladdin has long been active in the important Indian market. Together with the OurHealthMate (OHM) medical platform, Aladdin has already built a diabetes and cardiovascular risk prediction tool in India. OHM will also integrate the risk assessment platform into its ecosystem, enabling Aladdin's application to be used by more than 2,000 healthcare partners. These include large hospital operators and health insurers.

The Company resolved on 6 April 2020 that it will carry out the capital increase to the extent that new shares were subscribed for in the subscription offer (including oversubscriptions by existing shareholders). To this extent, the Company will issue a total of 8,238 new shares and the share capital of the Company shall be increased by EUR 8,238.00 from currently EUR 11,450,000.00 to EUR 11,458,238. Shareholders who have subscribed or oversubscribed for more than five new shares in the subscription offer will receive 2 bonus shares for every 5 new shares subscribed.

In December 2019, the new coronavirus causing the lung disease Covid 19 appeared for the first time in the Wuhan province of the People's Republic of China. In the following weeks, the virus spread rapidly in China and as a result, there was an increasing number of infections in Germany and England from March / April 2020. The government in Germany reacted with increasingly drastic measures to restrict social contact with the closure of all schools and day care centres as well as all restaurants and retail shops and a general ban on contact. We were also severely affected by the temporary suspension of business in the UK operating company, as the implementation of ongoing projects and the initiation of new projects were severely restricted by the contact and travel restrictions. As for the public offering of new shares announced on 3 March 2020, the Board of Directors has decided to postpone the public offering until later in this financial year due to the negative impact of the COVID 19 pandemic on the global financial market situation. Orders placed in the public offering will not be executed and any funds transferred will be refunded.

2. Net assets, financial position and results of operations

Assets and financial position

The Company's non-current assets amounted to €118 thousand at the balance sheet date (31 December 2019: €123.6 thousand) and mainly include a strategic investment by the UK subsidiary in a health and lifestyle analytics company of €114 thousand (31 December 2019: €118 thousand).

Current assets include other assets relating to income and VAT refunds to the UK subsidiary.

Equity as at 30 June 2020 amounts to €-2,237,000 (31 December 2019: €-1,766,000). The subscribed capital amounts to €11,458,238 and is divided into 11,458,238 no-par value bearer shares (31 December 2019: 11,450,000), which have no par value. As at 30 June 2020, the Company's retained earnings amount to €10,245,000 (31 December 2019: €9,403,000).

Other capital reserves consist of a negative capital reserve of €-3,623 thousand (31 December 2019: €-3,623 thousand). The negative capital reserve results from the effects of the so-called reverse acquisition in 2018.

The Group has non-current liabilities of K€200 as at the balance sheet date 30 June 2020 (31 December 2019: K€934), which relate to loan financing from third parties and in 2019 from the existing shareholders. The loans from the existing shareholders are generally due on 30 June 2021 and bear interest at 8% per annum. The repayment of the loans is subject to the Company having raised sufficient funds to repay the loans.

The Company's current liabilities, including provisions, amounted to €2,237 thousand as at 30 June 2020 (31 December 2019: €1,312 thousand). The increase mainly results from the reclassification of financial liabilities from the loan financing of former shareholders from non-current to current and from the increase in provisions for legal, accounting and audit costs.

Earnings situation

No revenue was generated in the first half of 2020 (2019: €0).

The other income of T€ 8 (2019: T€ 223.7) is income from currency translation.

Operating expenses consisted mainly of software development costs as well as consulting, legal and audit costs. Our research and development costs in the first half of 2020 amount to €106k (2019: €547.9k) and relate to software development.

The consolidated profit for the six months ended 30 June 2020 amounted to €-841 thousand (2019: €-2,990 thousand).

The Group's comprehensive income during the reporting period amounted to €-480 thousand (2019: €-3,229 thousand).

Financial situation

Cash outflow from operating activities was -€129k (2019: -€1,759k), cash inflow from investing activities was €0 (2019: €146k) and cash inflow from financing activities was €208k (2019: €1,505k) In 2020, the positive cash inflow from financing activities resulted from the rights offering and the tax credit in the UK operating company.

In the first half of 2020, the company relied on external financing from the existing shareholders to keep the business running. This reliance will continue throughout 2020 in the form of loan financing from existing shareholders or a capital raising round.

Summary of the half year

Overall, the half-year was strongly influenced by the COVID pandemic. As a start-up focused on complex technologies, we do not expect a positive result until we can generate sales, which is not expected until the end of 2021 at the earliest.

Report on events after the balance sheet date

In December 2019, the new coronavirus causing the lung disease Covid 19 appeared for the first time in the Wuhan province of the People's Republic of China. In the following weeks, the virus spread rapidly in China and as a result, there was an increasing number of infections in Germany and England from March / April 2020. The government in Germany reacted with increasingly drastic measures to restrict social contact with the closure of all schools and day care centres as well as all restaurants and retail shops and a general ban on contact. We were also severely affected by the temporary cessation of business in the UK operating company, as the implementation of ongoing projects and the initiation of new projects were severely restricted by the contact and travel restrictions.

On 26 November 2020, Mr Alexander Badenoch passed away. His seat on the Board of Directors of Aladdin Healthcare Technologies SE was taken over by Mr Hamish Badenoch on 12 November 2020 at the request of the Chairman of the Board of Directors pursuant to § 30 SEAG.

III. Report on future development and on opportunities and risks

1. Forecast report

Financial outlook

In 2020 The COVID-19 pandemic spread at an alarming rate, infecting millions and bringing economic activity to a near standstill as countries imposed strict movement restrictions to stop the spread of the virus. The June 2020 World Economic Outlook describes both the immediate and short-term impact of the pandemic and the long-term damage it has done to growth prospects. The baseline forecast calls for a 5.2 per cent contraction in global GDP in 2020, using market exchange rate weights the deepest global recession in decades, despite extraordinary efforts by governments to address the downturn with fiscal and monetary support. (Source: World Bank https://www.worldbank.org/en/publication/global-economic-prospects)

We have signed a mandate with US corporate finance firm Mid Atlantic Capital to raise up to $5 million in capital via a convertible debenture upon the successful listing of Aladdin's shares on the OTC QX. This is expected to be completed by Q2 2021. If the amount raised is reduced to $3 million, the lenders will extend the terms of their shareholder loans to allow the project to proceed as planned. Should there be further delays in raising capital, the shareholders of Aladdin Healthcare Technologies SE will provide further loans in the short term to bridge the gap, in addition to a corresponding extension of the short-term maturing shareholder loans, and operations will continue at a reduced level.

Management has prepared the financial statements on a going concern basis for Aladdin SE and its subsidiary Aladdin Ltd. As an early stage technology company, the Company relies on external funding being available at short notice or on the shareholders providing the short term funding required as further loans at short notice to maintain the going concern status.

However, there is an inherent risk that this might not be successful. In this case, the going concern assumption would be called into question. As they are inextricably linked to this, the underlying figures within the financial statements would also be affected. The extent to which this is the case will only become apparent if the situation described above occurs.

In addition, management constantly monitors the liquidity situation as part of the risk management system described in this report.

Management believes that Aladdin Healthcare Technologies SE and its subsidiary have sufficient resources, coupled with reasonable plans to obtain additional resources, to sustain operations for the next 24 months.

2. Risk management system and internal controls

The core objectives of financial management are to maximise the profitability and liquidity situation of the company. The company does not hedge its foreign currency positions and has no use of derivative financial instruments.

Efficient risk management is designed to identify risks systematically and at an early stage so that countermeasures can be taken in good time and any risks can be controlled. The Executive Board of the company has set up an internal monitoring system in accordance with section 91 (2) of the German Stock Corporation Act (AktG) so that risks that could endanger the continued existence of the company can be identified at an early stage.

Risk management is an integral part of Aladdin's value and growth-oriented business management. Risk management at Aladdin therefore tracks, analyses and monitors the potential risks of all key business operations and processes. The risk strategy always requires an assessment of the risks of an investment and the associated opportunities. The company's management evaluates individual risks based on their probability of occurrence and potential losses.

In a first step, the executive board defines risk areas in which a threat to the company's existence is possible. In addition, the company has implemented a monitoring system in accordance with § 91 para. 2 AktG that covers the entire company. This includes all departments, levels and processes. The goal of this company-wide expansion of the risk management system is to identify risks in particular that pose a special threat in combination with other risks. These risk areas are continuously reviewed to ensure that they are up to date.

Due to the small size of the two companies, Aladdin SE has a board of 3 members with no employees. Aladdin Ltd. has 3 full-time employees and 2 consultants. The identification of risks, communication, assignment of responsibilities and tasks and subsequent documentation is a lean process. Risks are discussed by the board and staff in a semi-annual risk management meeting. Subsequently, the risks are analysed in terms of probability of occurrence and extent of damage and provided with an overall risk assessment. Care is also taken to aggregate risks, as they only aggregate together with other risks to form risks that threaten the existence of the company. When aggregating risks, it must therefore be checked whether the combined effects of individual risks can lead to developments that could endanger the existence of the company. The risks are recorded, maintained and updated in a risk register that is based on a generally recognised risk management framework according to ISO3100.

The company's risks and opportunities were fully documented in the 2019 Group Report and are unchanged as at the balance sheet date of 30 June 2020. The complete documentation of the company-related risks and opportunities will be presented again in the 2020 Group Report.

3. Internal control system and risk management system with regard to the consolidated accounting process

The management of Aladdin SE and Aladdin Ltd. is responsible for the implementation of the accounting regulations at individual and consolidated financial statement level. The management has delegated the preparation of the financial statements to experienced service providers. The service providers serve as contact persons for accounting issues and more complex accounting questions. The coordination and control of the service providers' results is carried out by the management, which in this way ensures the conformity of the annual and consolidated financial statements and the combined management report with the standards, controls the efficiency of the financial statement preparation process and reduces the risks of incorrect accounting and reporting.

IV. Corporate Governance Report

1. Corporate Governance Code

Declaration of Conformity with the German Corporate Governance Code by the Executive Board of Aladdin Healthcare Technologies SE pursuant to Art. 9 para. 1 lit. c) ii) of the SE Regulation in conjunction with Section 161 of the German Stock Corporation Act (AktG)

The executive board of a European Company (SE) listed in Germany is legally obliged pursuant to § 22 para. 6 SEAG in conjunction with § 161 AktG to declare once a year whether the officially published recommendations of the Government Commission on the German Corporate Governance Code (DCGK) in the version applicable at the time of the declaration have been and are being complied with. The companies are also obliged to declare which recommendations of the Code have not been or are not being applied and why not. The full text of the corporate governance declaration pursuant to Sections 289f, 315d of the German Commercial Code (HGB), which contains the declaration of conformity of the Executive Board of Aladdin Healthcare Technologies SE, has been made permanently available on the company's website at www.aladdinid.com.

2. Remuneration report

The remuneration report contains information on the remuneration of the Executive Board and the Supervisory Board. It was prepared in accordance with the recommendations of the German Corporate Governance Code and the applicable provisions of commercial law.

In the reporting period, none of the members of the Supervisory Board received any form of remuneration from Aladdin SE in 2020 and 2019. The Annual General Meeting generally resolves on the basis of the remuneration of the Supervisory Board. No resolution has been passed to date. In accordance with the company's Articles of Association, the members of the Supervisory Board are reimbursed for their expenses. The Executive Director of Aladdin SE does not receive any remuneration. The Managing Director of Aladdin SE received € 0 (previous year: € 99.8 thousand) in the 2020 financial year as part of his consultancy agreement with Aladdin Ltd.

No post-employment or termination benefits, share-based payments or other long-term benefits have been agreed and no payments have been made in 2020 and 2019.

3. Takeover-relevant information

Clause 1: Composition of the subscribed capital

The subscribed capital amounts to EUR 11,458,238.00 as of the balance sheet date and is divided into 11,458,238 no-par value bearer shares. There are no different classes of shares; they are exclusively ordinary shares. Each of these shares grants one vote.

Item 2: Restrictions affecting voting rights or the transfer of shares
There are no restrictions concerning voting rights or the transfer of shares.

Item 3: Direct or indirect shareholdings in the capital exceeding 10% of the voting rights.
As at the balance sheet date, the Managing Director and Executive Board member Wade Menpes-Smith holds approximately 36.4% of the voting rights in the company, and directly and indirectly via corporations attributable to him approximately 5%, i.e. together approximately 41.4% of the voting rights in the company.

The members of the Badenoch family each hold less than 10 % of the voting rights, but together they directly and indirectly hold approximately 36 % of the voting rights as at the balance sheet date.

Note 4: Holders of shares with special rights conferring powers of control
There are no shares with special rights conferring powers of control.

Clause 5: Control of voting rights in employee shareholdings
There are no voting controls on employee share ownership.

Item 6: Statutory provisions and provisions of the Articles of Association on the appointment and dismissal of members of the Executive Board and on amendments to the Articles of Association

The appointment and dismissal of the members of the Administrative Board is governed by §§ 28f. of the SEAG, Art. 43 of the SE Regulation (Council Regulation (EC) No. 2157/2001 of 8 October 2001 on the Statute for a European company (SE)). Article 7 of the Articles of Association regulates the appointment and dismissal of the members of the Administrative Board as follows:
(1) The Board of Directors shall consist of three members elected by the General Assembly.

(2) Unless the General Assembly decides otherwise, the members of the Board of Directors shall be elected for the period until the end of the General Assembly which decides on the discharge for the fourth business year after the beginning of the term of office. The year in which the term of office begins shall not be counted.

(3) At the same time as the ordinary members of the Board of Directors, substitute members may be elected for one or more members of the Board of Directors. The substitute member shall join the Board of Directors if the member of the Board of Directors for whom he/she is appointed as substitute member leaves the Board of Directors before his/her term of office expires. If no substitute is elected at the next General Meeting, the term of office shall be extended until the end of the term of office of the member of the Board of Directors who left prematurely. By-elections shall be held for the remainder of the term of office of the retiring member.

(4) Members of the Board of Directors who have been elected by the General Meeting without being bound by a proposal for election may be removed by the General Meeting before the expiry of their term of office. The resolution shall require a simple majority.

(5) Each member of the Executive Board and each substitute member may resign from office at any time, even without good cause, by written declaration to the Chairperson of the Executive Board."

The appointment and dismissal of executive directors is governed by § 40 SEAG. Section 11 (1) and (2) of the Articles of Association regulates the appointment and dismissal of executive directors as follows:

(1) The Company shall have one or more executive directors. Members of the Board of Directors may be appointed as executive directors provided that the majority of the Board of Directors shall continue to consist of non-executive directors.

(2) Executive Directors may be dismissed at any time by resolution of the Board of Directors. An Executive Director who is also a member of the Board of Directors may only be dismissed for good cause.

The amendment of the Articles of Association is made pursuant to Art. 59 SE Regulation, § 179 AktG. Furthermore, § 14 para. 2 sentence 2 of the Articles of Association stipulates: "Amendments to the Articles of Association require a majority of two thirds of the votes cast or, if at least half of the share capital is represented, a simple majority of the votes cast, unless mandatory statutory provisions provide otherwise.

Item 7: Powers of the Executive Board, in particular with regard to the possibility of issuing or buying back shares

The Board of Directors is authorised as follows pursuant to § 4 para. 4 of the Articles of Association:

The Executive Board is authorised to increase the share capital of the Company for a period of five years from the entry of this authorised capital in the Commercial Register once or several times by up to a total of EUR 5,725,000.00 against cash contributions and/or contributions in kind by issuing new no-par value bearer shares (Authorised Capital 2018/I).

The Executive Board is authorised to exclude the shareholders' statutory subscription right in the following cases:

a) to exclude fractional amounts from the shareholders' subscription right.

b) if the issue price of the new shares is not insignificantly lower than the stock exchange price and the shares issued under exclusion of the subscription right do not exceed a total of 10% of the share capital, neither at the time this authorisation becomes effective nor at the time it is exercised. Shares issued or to be issued for the purpose of servicing bonds with warrants or convertible bonds shall be counted towards this number, provided that the bonds were issued with the exclusion of subscription rights in analogous application of section 186 para. 3 sentence 4 of the German Stock Corporation Act (AktG).

c) if the capital increase is made against contributions in kind for the purpose of acquiring companies or interests in companies.

d) to the extent necessary to grant the holders of warrants, convertible bonds and convertible profit participation rights issued by the Company and its subsidiaries a subscription right to new shares to the extent to which they would be entitled after exercising the option or conversion right

e) for the purpose of listing the Company's shares on a foreign stock exchange and, in this connection, also to service an over-allotment option granted to the underwriters.
The new shares shall participate in the profits from the beginning of the financial year in which they are issued.

The Executive Board is further authorised to determine the further details of the implementation of capital increases from the Authorised Capital 2018/I as well as the conditions of the share issue, in particular the issue price. The issue amount of the shares must be at least EUR 1.00.

The Executive Board is authorised to amend the wording of the Articles of Association accordingly after the full or partial implementation of the increase of the share capital from the Authorised Capital 2018/I or after the expiry of the period for the utilisation of the Authorised Capital.

Item 8: Material agreements of the parent company that are subject to a change of control as a result of a takeover bid
There are no such agreements.

Item 9: Compensation agreements concluded with the members of the Executive Board or employees in the event of a takeover bid
Currently, there are no such agreements.

Berlin, May 2021

Wade Menpes-Smith

Managing Director

Consolidated balance sheet as at 30 June 2020

ALADDIN HEALTHCARE TECHNOLOGIES SE
Consolidated balance sheet

as at 30 June 2020
(with comparative figures as at 31 December 2019)

	Annex-details No.	30.6.20 EUR	31.12.19 EUR
Assets			
Non-current assets			
Property, plant and equipment	III.A.(1)	4.121	5.463
Participations	III.A.(2)	113.589	118.152
Other financial assets	III.A.(2)	-	-
		117.710	**123.615**
Current assets			
Trade receivables and other receivables	III.A.(3)	-	-
Other assets	III.A.(4)	1.664	356.120
Cash and cash equivalents	III.A.(5)	80.340	754
		82.004	**356.874**
Balance sheet total		**199.714**	**480.489**
Liabilities			
Equity			
Subscribed capital	III.A.(6)	11.458.238	11.450.000
Capital reserve	III.A.(7)	-3.623.367	-3.623.367
Retained earnings	III.A.(8)	-10.245.105	-9.402.962
Other reserves	III.A.(8)	172.977	-189.436
Total equity		**-2.237.257**	**-1.765.765**
Long-term debt			
Other financial liabilities	III.A.(10)	**200.000**	**934.318**
Current liabilities			
Trade payables and other liabilities	III.A.(9)	229.879	279.961
Other financial liabilities	III.A.(10)	1.616.122	647.336
Provisions	III.A.(11)	390.971	384.639
Total current liabilities		**2.236.971**	**1.311.936**
Balance sheet total		**199.714**	**480.489**

Consolidated Income Statement for the Period 1 January to 30 June 2020

ALADDIN HEALTHCARE TECHNOLOGIES SE

Consolidated income statement
For the period from 1 January to 30 June 2020
(With comparative figures for the period from 1 January to 30 June 2019.
and for the period from 1 January to 31 December 2019).

	Annex information	1.1-30.6. 2020	1.1-30.6. 2019	1.1-31.12. 2019
	No.	EUR	EUR	EUR
Revenues	II.F.;II.G.(6)	-	-	-
Other operating income	III.B.(1)	-8.613	-	223.693
Other operating expenses	III.B.(2)	-795.416	-929.958	-2.033.571
Impairment losses from financial assets	III.B.(3)	-	-	-1.532.169
Financial income	III.B.(4)	-	6.792	95.261
Financial expenses	III.B.(4)	-38.346	-39.488	-72.332
Income tax expense	III.B.(5)	232	-	329.258
Group result		**-842.143**	**-962.654**	**-2.989.860**
Thereof attributable to:				
Shareholders of the parent company		-842.143	-962.654	-2.989.860
Earnings per share				
Basic earnings attributable to ordinary equity holders of the parent company	III.B.(6)	-0,07	-0,08	-0,26
Diluted, based on the profit attributable to ordinary equity holders of the parent company	III.B.(6)	-0,07	-0,08	-0,26

Consolidated Statement of Comprehensive Income for the Period 1 January to 30 June 2020

ALADDIN HEALTHCARE TECHNOLOGIES SE

Consolidated statement of comprehensive income
For the period from 1 January to 30 June 2020
(With comparative figures for the period from 1 January to 30 June 2019.
and for the period from 1 January to 31 December 2019).

	Annex information No.	1.1.-30.6. 2020 EUR	1.1.-30.6. 2019 EUR	1.1.-31.12. 2019 EUR
Group result		**-842.143**	**-962.654**	**-2.989.860**
Other result				
Items that may be reclassified to the income statement in the future				
Change in reserve for currency differences	II.G.	362.414	14.576	-238.940
Other result		**362.414**	**14.576**	**-238.940**
Group overall result		**-479.729**	**-948.078**	**-3.228.800**
Thereof attributable to:				
Shareholders of the parent company		-479.729	-948.078	-3.228.800

Consolidated Statement of Changes in Equity for the period 1 January to 30 June 2020

ALADDIN HEALTHCARE TECHNOLOGIES SE
Konzern-Eigenkapitalveränderungsrechnung

Für den Zeitraum vom 1. Januar bis zum 30. Juni 2020

	Anhang-angaben	Gezeich-netes Kapital	Kapital-rücklage	Gewinn-rücklagen	Sonstige Rück-lagen	Summe Eigen-kapital
		EUR	EUR	EUR	EUR	EUR
Anhangangaben	**Nr.**	III.A.(6)	III.A.(7)	III.A.(8)	III.A.(8)	
Stand 1. Januar 2017		-	-	-	-	-
Ausgabe von Aktien	II.D.	1	0	-	-	1
Konzernergebnis		-	-	-47.396	-	-47.396
Fremdwährungsumrechnung		-	-	-	122	122
Stand 31. Dezember 2017		**1**	**0**	**-47.396**	**122**	**-47.273**
Fehlerkorrektur	II.C.	299.999	-299.999	-974.306	2.512	-971.794
Stand 1. Januar 2018 berichtigt		**300.000**	**-299.999**	**-1.021.702**	**2.634**	**-1.019.067**
Barkapitalerhöhung Aladdin Healthcare Technologies SE		1.150.000	-1.150.000	-	-	-
Barkapitalerhöhung Aladdin Healthcare Technologies Ltd.		-	112	-	-	112
Reverse Asset Acquisition	II.D.	10.000.000	-2.173.480	-	-	7.826.520
Konzernergebnis		-	-	-5.391.400	-	-5.391.400
Fremdwährungsumrechnung		-	-	-	46.870	46.870
Stand 31. Dezember 2018 berichtigt		**11.450.000**	**-3.623.367**	**-6.413.102**	**49.504**	**1.463.035**
Konzernergebnis		-	-	-2.989.860	-	-2.989.860
Fremdwährungsumrechnung		-	-	-	-238.940	-238.940
Stand 31. Dezember 2019		**11.450.000**	**-3.623.367**	**-9.402.962**	**-189.436**	**-1.765.765**
Barkapitalerhöhung Aladdin Healthcare Technologies SE		8.238	-	-	-	8.238
Konzernergebnis 1.1.-30.6.2020		-	-	-842.143	-	-842.143
Fremdwährungsumrechnung		-	-	-	362.414	362.414
Stand 30. Juni 2020		**11.458.238**	**-3.623.367**	**-10.245.105**	**172.978**	**-2.237.257**

Consolidated Cash Flow Statement for the Period 1 January to 30 June 2020

ALADDIN HEALTHCARE TECHNOLOGIES SE
Consolidated cash flow statement

For the period from 1 January to 30 June 2020
(with comparative figures for the period from 1 January to 31 December 2019)

		1.1.-30.6. 2020	1.1.-31.12. 2019
Current business activity	**Annex information**	**EUR**	**EUR**
Group result before taxes		-842.375	-3.319.118
Financial result	III.B.(4)	38.346	-22.929
Depreciation, amortisation and impairment of non-current assets	III.A.(1),(2)	-	1.533.896
+/- Increase/decrease in short-term provisions	III.A.(11)	6.332	268.601
Change in net working capital:			
+/- Decrease/increase in trade receivables and other receivables	III.A.(3); III.A.(4)	354.456	94.403
+/- Increase/decrease in trade payables and other liabilities	III.A.(9)	-50.082	-74.321
Other non-cash transactions		364.702	-239.836
Cash flows from operating activities		**-128.622**	**-1.759.304**
Investment activity			
Payments for the acquisition of property, plant and equipment		-	-1.103
Proceeds from investments in financial assets		-	147.207
Acquisition of a subsidiary (reverse asset acquisition)	II.D.; IV.E.	-	-
Cash flows from investing activities		**0**	**146.104**
Proceeds from borrowings	III.A.(10); IV:E.	200.000	1.517.849
Payments from the redemption of financial liabilities	IV.E.	0	-13.215
Payment from capital increase	II.D.; IV.E.	8.238	**-**
Cash flows from financing activities		**208.238**	**1.504.634**
Change in cash and cash equivalents		**79.616**	**-108.566**
Cash and cash equivalents as at 1 January	III.A.(5)	754	109.350
Changes in cash and cash equivalents due to exchange rates		-30	-30
Cash and cash equivalents as at 31 December 2019 / 2018	III.A.(5)	**80.340**	**754**

Composition of cash and cash equivalents		**31.12.2019**	**31.12.2019**
		EUR	**EUR**
Balances with credit institutions	III.A.(5)	**80.340**	**754**

Notes to the consolidated financial statements (condensed) as at 30 June 2020

I. PRELIMINARY REMARKS AND BASIS OF PREPARATION

A. Information on the Company and the Group

1. The company

Aladdin Healthcare Technologies Holding SE (hereinafter referred to as the "Company", "Aladdin SE" or the "Parent Company"), with its registered office at 10117 Berlin, Unter den Linden 10, is registered in the Commercial Register of the Local Court of Berlin (Germany) under the number HRB 173762.

Aladdin SE has a share capital of EUR 11,458,238.00, divided into 11,450,000 no-par value bearer shares. The existing shares of Aladdin SE have been admitted to the regulated market of the Düsseldorf Stock Exchange since September 2018. The ISIN (International Securities Identification Number) is DE000A12ULL2, the WKN (Wertpapier-kennnummer) is A12ULL and the stock exchange symbol is NMI.

2. The structure of the Group

The Company's sole subsidiary is Aladdin Healthcare Technologies Ltd, London, United Kingdom (hereinafter referred to as Aladdin Ltd). Aladdin SE holds all shares in Aladdin Ltd. The Group's operating business is currently conducted exclusively in Aladdin Ltd.

The Group, or Aladdin Group, is primarily engaged in providing software solutions for secure storage and management of health information using blockchain technology and developing solutions for earlier, more accurate diagnosis of age-related diseases.

B. Legal basis for the preparation of the consolidated interim financial statements

In accordance with the provisions of Sections 115, 117 of the German Securities Trading Act (WpHG), the half-year financial report for the first six months of 2020 consists of interim consolidated financial statements as at 30 June 2020, an interim consolidated management report for the period 1 January to 30 June 2020 and the responsibility statement pursuant to Sections 297 (2) sentence 4, 315 (1) sentence 6 of the German Commercial Code (HGB) in conjunction with Sections 115, 117 WpHG. Sections 115, 117 WpHG together

The interim consolidated financial statements as at 30 June 2020 have been prepared in accordance with International Accounting Standard (IAS) 34. In accordance with the regulations of IAS 34, a condensed scope of reporting was chosen compared to the consolidated financial statements as at 31 December 2019.

The consolidated financial statements of the company were prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable in the European Union (EU), and the commercial law provisions to be observed in addition pursuant to Section 315e (1) of the German Commercial Code (HGB). The requirements of the standards (IFRS/IAS) and interpretations (IFRSIC/SIC) that were mandatory as of the balance sheet date were met.

For the preparation of the consolidated financial statements under the going concern assumption, we refer to section II.E. In the following, the term IFRS is used uniformly.

The consolidated financial statements of Aladdin SE are prepared in euros (EUR). Unless otherwise stated, all values are rounded up or down to the nearest euro (EUR). Rounding may result in values in this report not adding up exactly to the totals shown and in percentages not adding up exactly to the values shown.

The financial year of Aladdin SE and its subsidiary included in the consolidated financial statements generally corresponds to the calendar year. The reporting date for the financial statements is the reporting date of the parent company.

The consolidated balance sheet is divided into non-current and current assets and liabilities in accordance with IAS 1. Assets and liabilities with a maturity of one year are classified as current assets. The consolidated statement of comprehensive income was prepared using the cost of sales method.

The significant accounting policies applied in the preparation of the interim consolidated financial statements as at 30 June 2020 are summarised below.

In accordance with the regulations of IAS 34, a condensed scope of reporting was chosen. All applied IFRS have been adopted by the EU Commission for application in the EU.

II. CONSOLIDATION AND ACCOUNTING RULES

A. Accounting pronouncements issued by the IASB and adopted for the first time

All standards (IFRS/IAS) and interpretations (IFRIC/SIC) applicable in the European Union as at 30 June 2020 were applied in the preparation of the interim financial statements. The following accounting standards were to be applied for the first time:

Accounting standards issued by the IASB and applied for the first time		
Standard	**New or amended standards and interpretations and significant content**	**Obligation to apply EU**
IAS 1, IAS 8	Definition of materiality	01.01.2020

IFRS 9, IFRS 7, IAS 39	Amendments to IFRS 9, IFRS 7 and IAS 39: Reform of Reference Rates	01.01.2020
Framework concept	Amendments to the references to the accounting framework	01.01.2020
IFRS 3	Amendments to IFRS 3: Definition of a business operation	01.01.2020
IFRS 16	Amendments to IFRS 16: Rental Concessions due to Covid-19	01.06.2020

The new or amended standards have no or no material impact on the interim financial statements of the Company.

B. Accounting standards issued by the IASB that have not yet been applied

The following table presents the standards issued by the IASB that have not yet been applied and are relevant to the financial statements.

Accounting standards issued by the IASB that have not yet been applied		
Standard	**New or amended standards and interpretations**	
IFRS not yet adopted into EU law		**First-time adoption date envisaged by the IASB**
IAS 1	Changes in the classification of debt as current or non-current	01.01.2023
IFRS 17	Insurance contracts	01.01.2021
IFRS 3	Reference to the framework concept	01.01.2022
IFRS 4	Postponement of the application of IFRS 9	01.01.2021
IFRS 9, IFRS 7, IFRS 16 and IAS 39	Changes due to the "Interest Rate Benchmark Reform" (Phase 2)	01.01.2021
IAS 16	Changes to proceeds prior to intended use	01.01.2022
IAS 37	Amendments Adverse contracts - Costs of performance of contracts	01.01.2022
various	Annual Improvement Project Cycle 2018-2020	01.01.2022

The company does not make use of the right of voluntary early adoption of the standards issued by the IASB before their mandatory adoption. No material impact on the interim financial statements is expected.

C. Disclosures on error correction according to IAS 8

During the preparation of the consolidated financial statements as at 31 December 2019, the company identified accounting errors mainly in intangible and other financial assets and corrected the respective errors retrospectively. For the accounting effects of the correction of errors in the balance sheet as at 1 January 2018, please refer to the consolidated financial statements as at 31 December 2019.

D. Consolidation principles

The consolidated financial statements include the financial statements of the company and the subsidiary prepared in accordance with uniform accounting and valuation methods. Subsidiaries controlled by the Group are fully consolidated. The Group controls an entity when it is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The Group generally accounts for **business combinations** using the purchase method. In the course of capital consolidation, the acquisition costs of the acquired shares are offset against the equity of the subsidiaries attributable to the Group. The identifiable net assets acquired and the consideration transferred are generally measured at fair value. Any positive difference between the acquisition cost of the acquired shares and the identifiable net assets arising on initial consolidation is recognised as goodwill. Goodwill is tested annually for impairment. Any negative difference is recognised immediately in profit or loss after a further review of all valuations.

Explanation Reverse Asset Acquisition

In March 2018, the shareholders of Aladdin Ltd. and Aladdin SE entered into a share transfer and contribution agreement. Pursuant to this agreement, the shareholders of Aladdin Ltd. contributed all shares to Aladdin Ltd. as a contribution in kind in exchange for 10,000,000 shares in Aladdin SE. The issue price of the new shares was EUR 5.40 per share (rounded).

The acquisition of 100% of Aladdin Ltd. through a contribution in kind was classified as a reverse asset acquisition for the purposes of these consolidated financial statements. As Aladdin SE did not constitute a business within the meaning of IFRS 3 at the time of the contribution, the transaction is a share-based payment under IFRS 2 and not a reverse acquisition under IFRS 3. Due to the similarity of the circumstances, the general accounting rules of IFRS 3 regarding reverse acquisitions were nevertheless applied analogously, with the exception of the recognition of goodwill.

The transaction is therefore included in the consolidated financial statements of Aladdin SE as a continuation of the financial statements of Aladdin Ltd. as the accounting acquirer. For the shares held by the former shareholders of Aladdin SE at the time of the contribution, a notional number of shares was calculated that Aladdin Ltd. would have had to issue for the acquisition. Aladdin Ltd. as accounting acquirer received the net assets and listing status of Aladdin SE for the (notionally) issued shares, so that this transaction represents equity-settled share-based payment.

The determination of the notional shares to be issued in Aladdin Ltd. was as follows:

	Aladdin SE	Aladdin Ltd.
Number of shares immediately before the contribution	1.450.000	10.000.000
(Notional) relevant share price before the transaction in EUR (rounded)[1)]	5,40	5,40
Fair value of the company before the transaction	7.826.520	53.976.0002[)]
Notional number of shares that Aladdin Ltd. would have had to issue		1.450.000
Fair value of the notional shares of Aladdin Ltd. to be issued for the acquisition of the previous old shares of Aladdin SE		7.826.520

1) The exact exchange rate is EUR 5.3976.
2) The determination of the fair value of Aladdin Ltd. was based on a valuation report at the time of the transaction. In the separate financial statements of Aladdin SE as at 31 December 2019, the correspondingly high carrying amount of the investment in Aladdin Ltd. was written off in full.

The difference between the fair value of the shares fictitiously issued by the accounting acquirer Aladdin Ltd. and the fair value of the identifiable net assets of the legal acquirer Aladdin SE represents a service received by the accounting acquirer in the system of IFRS 2. As this "stock exchange listing" service received cannot be capitalised due to the lack of an asset, it was recognised as an expense. Accordingly, an expense of EUR 2,101,886 was recognised for the stock exchange listing in the 2018 financial year.

	After error correction	Before error correction	Deviation
	EUR	EUR	EUR
Fair value of the notional shares of Aladdin Ltd. to be issued for the acquisition of the existing old shares of Aladdin SE	7.826.520	7.826.520	-

Aladdin SE Cash and cash equivalents	2.091.964	2.091.964	-
Aladdin SE other net assets	3.228.462	3.632.670	-404.208
Total identifiable net assets at fair value	5.320.426	5.724.634	-404.208
Effect of the Reverse Asset Acquisition on the Income Statement / Retained Earnings	-2.506.094	-2.101.886	-404.208

The acquired net assets of Aladdin SE include EUR 1,563,938 (loan) receivables from Aladdin Ltd. As part of the consideration of the error corrections, adjustments were made to the identified net assets at Aladdin SE at the time of the contribution for the comparative period 2018, so that the expense from the reverse asset acquisition increased by EUR -404,208 from EUR -2,101,886 to EUR -2,506,094. The increase mainly results from the adjustment of the interest rate for discounting the longer-term, non-interest-bearing loan receivables (EUR -118,872) and the consideration of stamp taxes in connection with the contribution of the shares in Aladdin Ltd. (EUR -276,662).

The effects of the reverse asset acquisition on the statement of changes in equity are as follows:

	Subscribed capital	Capital reserve	Retained earnings	Other reserves	Total equity
	EUR	EUR	EUR	EUR	EUR
Status 1 January 2017	-	-	-	-	-
Issue of shares	1		-	-	1
Group result	-	-	-47.396	-	-47.396
Foreign currency translation	-	-	-	122	122
As at 31 December 2017	**-**	**-**	**-47.396**	**122**	**-47.273**
Error correction	299.999	-299.999	-974.306	2.512	-971.794
Status 1 January 2018 corrected	**300.000**	**-299.999**	**-1.021.702**	**2.634**	**-1.019.067**
Cash capital increase Aladdin Healthcare Technologies SE	1.150.000	-1.150.000	-	-	-
Cash capital increase Aladdin Healthcare Technologies Ltd.	-	112	-	-	112
Reverse asset acquisition	10.000.000	-2.173.480	-	-	7.826.520
Group result	-	-	-5.391.400	-	-5.391.400
Foreign currency translation	-	-	-	46.870	46.870
As at 31 December 2018 corrected	**11.450.000**	**-3.623.367**	**-6.413.102**	**49.504**	**1.463.035**

In accordance with the analogously applied accounting regulations of IFRS 3 on reverse acquisitions, the comparative information to be disclosed in the consolidated financial statements of the legal parent company (Aladdin SE) (previous year's information) is to be based on the information of the legal subsidiary (Aladdin Ltd.). For the presentation of the comparative information of previous periods, the amount of the total equity corresponds to that of the legal subsidiary (here: Aladdin Ltd.), whereby the amount of the subscribed capital and the number of shares is determined according to that of the legal acquirer (here: Aladdin SE).

In the course of the establishment of Aladdin Ltd. on 7 November 2017, a subscribed capital in the amount of GPB 1 (= EUR 1) was created. The difference between the subscribed capital of Aladdin Ltd. and Aladdin SE in the amount of EUR 299,999 is recognised as a deduction within the capital reserve. In addition, as at 31 December 2017, the annual result of Aladdin Ltd. and the differences from the translation of the individual financial statements of Aladdin Ltd. from GBP to EUR were recognised in equity. For the correction of errors, see section II.C.

Even before the contribution of Aladdin Ltd. on 7 March 2018, a cash capital increase was carried out at Aladdin SE on 3 January 2018, which resulted in an increase in subscribed capital of EUR 1,150,000. In the absence of a corresponding capital increase at Aladdin Ltd, the capital reserve was reduced by a further EUR 1,150,000. In contrast, the cash capital increase at par at Aladdin Ltd. in the run-up to the contribution led to an increase in the subscribed capital by GBP 99 (= EUR 112) to a total of GBP 100. In the statement of changes in equity, this change is recognised as an increase in the capital reserve.

In the course of the reverse asset acquisition, the subscribed capital of Aladdin SE was increased by EUR 10,000,000, while the fair value of the notional shares of Aladdin Ltd. to be issued for the acquisition of the previous old shares of Aladdin SE (acquisition costs) amounted to EUR 7,826,520. The difference between the two values reduces the capital reserve in the amount of EUR 2,173,480. After the reverse asset acquisition, the subscribed capital thus amounts to EUR 11,450,000 and the capital reserve to EUR -3,623,367.

Consolidation of liabilities, expenses and income and elimination of intercompany results

All intra-group receivables and liabilities, **expenses and income as** well as interim results are eliminated within the scope of **debt** and expense and income **consolidation.**

E. Use of judgements and estimates

The preparation of the consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and assumptions by management that relate to the amount and disclosure of recognised assets and liabilities, income and expenses and the disclosure of contingent liabilities are necessary when preparing the consolidated financial statements in accordance with IFRS. Assumptions and estimates have an influence on the valuation of assets, provisions and liabilities in the consolidated financial statements, particularly with regard to the recognition criteria and accounting regulations for intangible assets, the recoverability of financial assets and the resulting value adjustments, the determination of useful lives, the recognition and valuation of other provisions and valuations in the context of reverse asset acquisitions.

The assumptions and estimates as of the balance sheet date are based on current circumstances and knowledge. The forward-looking assumptions and estimates as at the balance sheet date take into account the expected future business development, the circumstances prevailing at the time of the preparation of the consolidated financial statements and the future development of the global and industry-specific environment that is assumed to be realistic. Developments in these general conditions that deviate from the assumptions and are beyond the management's control may cause the actual amounts to deviate from the estimated values. In the event of such a development, the assumptions and, if necessary, the carrying amounts of the assets and liabilities concerned are adjusted to the new level of knowledge.

Management has prepared the consolidated financial statements on the assumption that Aladdin SE and its subsidiary, Aladdin Ltd, will be able to continue as a going concern. As an early stage technology company, the Company is dependent on future external funding or the ability of its shareholders to provide the necessary funding in order to continue as a going concern. However, there is an inherent risk that the financing round may not be successful as expected. In this case, the going concern assumption would be called into question. Management believes that Aladdin SE and its subsidiary have sufficient resources, combined with reasonable plans to raise further resources, to maintain operations over the next 24-month period.

F. Segment reporting

During the reporting period, the Group had only one reportable segment - the provision of software solutions for the secure storage and management of health information using blockchain technology. The internal management of business activities was not separated by products, services or geographical markets during the reporting period. Currently, all significant operational business activities are bundled in Aladdin Ltd.

G. Accounting and valuation principles

The Aladdin Group has not made any significant changes in accounting policies other than the correction of errors, standards, interpretations and amendments applicable for the first time in the financial year.

Currency conversion

The consolidated financial statements are prepared in euros, the functional currency of the parent company.

Foreign currency transactions are generally translated into the functional currency by Group companies at the time of the transaction using the applicable spot rate.

Monetary assets and liabilities denominated in a foreign currency are translated into the functional currency at each reporting date using the closing spot rate. Differences arising from the settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

The assets and liabilities of the foreign subsidiary are translated into euros at the closing rate on the balance sheet date. Equity was translated at the historical rate. Income and expenses are translated at the average exchange rate for the year. The translation differences resulting from the translation are recognised in other comprehensive income. The following exchange rates were used:

Year	EUR/GBP Mean value	Deadline	GBP/EUR Mean value	Deadline
2020	0,88387	0,91243	1,13138	1,09597
2019	0,87702	0,84636	1,14022	1,18152
2018	0,88486	0,89839	1,13012	1,11310

Balance sheet

(1) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Depreciation is recognised to allocate the cost of the assets over their estimated useful lives - 3 years for computer equipment - using the straight-line method.

The residual values, useful lives and depreciation method are reviewed at the end of each financial year to ensure that the amount, method and duration of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment. The carrying amounts of property, plant and equipment are reviewed for impairment whenever events or circumstances have occurred that indicate that the carrying amount may not be recoverable.

(2) Financial instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the financial instrument. Initial measurement is at the settlement date. Financial assets are derecognised when the contractual rights to receive payments from the asset have expired or when substantially all the risks and rewards of the financial asset have been transferred. Financial liabilities are derecognised when they are settled, cancelled or expire.

IFRS 9 contains three basic categories for classifying financial assets: measured at amortised cost, measured at fair value with changes in value recognised in other comprehensive income (FVOCI) and measured at fair value with changes in value recognised in profit or loss (FVTPL). The classification of financial assets under IFRS 9 is based on the entity's business model for managing financial assets and the characteristics of the contractual cash flows.

a) Financial assets

Financial assets are initially measured at fair value less transaction costs. Subsequent measurement depends on the business model on the basis of which the asset is held.

The investment reported under other financial assets is generally measured at fair value through profit or loss in accordance with IFRS 9. Currently, the acquisition costs represent a reasonable estimate of the fair value of the financial investment, as the company in which Aladdin Ltd. holds an interest has not yet commenced operations.

In addition to the financial investment, the Group only holds financial assets whose business model consists of holding them until the contractual cash flows are received and which only trigger interest and redemption payments at specified times. After initial recognition, these financial assets are measured at amortised cost using the effective interest method less an allowance for impairment. No discounting is performed if the effects of discounting are immaterial for the presentation of the Group's net assets, financial position and results of operations. Cash and cash equivalents as well as trade and other receivables fall into this category of financial instruments. Also, a loan from Aladdin SE to Aladdin Intel Ltd, Hong Kong, which can either be repaid in cash or converted into ordinary shares of the borrower, was classified to the above business model upon its issuance in 2018 following a management decision and consequently measured at amortised cost using the effective interest method less allowance for impairment.

Impairments of financial assets in the categories measured at amortised cost on the one hand and measured at fair value through profit or loss with recycling of changes in value recognised in other comprehensive income on the other hand are taken into account in accordance with IFRS 9 using the expected credit loss model, which provides for three levels. For financial assets in level 1, a risk provision in the amount of the expected twelve-month loss is to be recognised. This comprises the present value of the expected payment defaults resulting from default events within the first twelve months. If a financial asset shows a significant increase in credit risk since the initial recognition date, the allowance is calculated in the amount of the present value of the lifetime expected loss and the asset is assigned to Level 2. A financial asset is assigned to Level 3 if there is objective evidence that an impairment loss has already been incurred. This includes, among other things, the high probability of insolvency proceedings, significant financial difficulties of a debtor or the discontinuation of an active market for financial assets. In level 3, impairments are recognised in the amount of the expected credit losses over the entire term of the financial asset.

Simplification rules exist for certain financial assets such as trade receivables. For these financial assets, a flat-rate risk provision is recognised in the amount of the expected losses over the remaining term, which is determined on the basis of empirical values. These are allocated to Level 2 of the impairment model upon addition. If there is an impairment of creditworthiness or a default, the receivable in question is transferred to level 3. Overdues of more than 90 days provide objective evidence that a financial asset is impaired.

The credit and default risk arising from financial assets is the risk of default by a counterparty and is therefore limited to the amount of the claims from recognised carrying amounts against the respective counterparty. Aladdin SE carries out regular assessments to identify significant increases in credit risk. This is mainly based on default probabilities and overdue information.

b) Financial liabilities

The Group's financial liabilities include trade payables, other liabilities and liabilities to related parties. All financial liabilities fall into the category "measured at amortised cost".

Financial liabilities are initially recognised at fair value, net of transaction costs. In subsequent periods, financial liabilities are measured at amortised cost using the effective interest method.

(3) Trade receivables, other receivables and other assets

Trade receivables, other receivables and other assets are non-interest bearing. They are recognised at cost less allowances for uncollectible amounts.

(4) Cash and cash equivalents

Cash and cash equivalents consist of cash and bank balances with a maturity of up to 3 months. They are recognised at their nominal value.

(5) Provisions

Provisions are recognised when it is probable that, as a result of a past event, the Group has a present obligation (legal or constructive) that will require an outflow of resources embodying economic benefits to settle and a reliable estimate can be made of the amount of the obligation. If the Group expects partial or full reimbursement of all amounts accrued, the reimbursement amount is recognised as a separate asset, but only to the extent that reimbursement is virtually certain.

Provisions are reviewed at each balance sheet date and adjusted if necessary to reflect the current best estimate of the obligation. If an outflow of resources to settle the obligation is no longer probable, the provisions are reversed.

(6) Revenue recognition

If the Group grants customers the right to use the intellectual property and to participate in changes to the property (dynamic licence), revenue is recognised over time. If, on the other hand, the right to use intellectual property is granted to customers within the framework of a licence agreement (static licence), revenue is recognised at the beginning of the licence period. The application of these rules depends on the particular facts and circumstances in the contract with a customer and will require discretionary decisions. No revenue was generated in the financial year.

III. NOTES TO THE ITEMS IN THE CONSOLIDATED BALANCE SHEET AND CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

A. Balance sheet

Assets

Non-current assets

(1) Property, plant and equipment

This item mainly includes office furniture and equipment. There were no significant acquisitions in the period from 1 January to 30 June 2020.

(2) Participations and other financial assets

Unquoted shares valued at cost amounting to 2% of the share capital of CorLife Limited (formerly CORRESILIENCE LTD), Margate, United Kingdom, held by Aladdin Ltd. are reported as investments.

In the 2019 financial year, an impairment loss of EUR 1,517,487 was recognised on original long-term loans receivable from Aladdin Intel Ltd, Hong Kong (not a related party). The impairments are related to the failed cooperation with Shenzhen Guoyihui Hospital Management Co, Shenzhen, PRC. Therefore, management believes that it is unlikely that further cash flows will flow back to the Group.

Current assets

(3) Trade receivables and other receivables

Trade and other receivables are not recognised as at 30 June 2020.

(4) Other assets

Other assets in the previous year mainly consist of VAT receivables and in the 2019 financial year mainly of non-period tax receivables from fiscal subsidies for research and development expenses under the English taxation procedure.

(5) Cash and cash equivalents

Bank balances in Germany and England are shown.

Liabilities

Equity

(6) Subscribed capital

As of 30 June 2020, the subscribed capital of Aladdin SE amounts to EUR 11,458,238 (previous year: EUR 11,450,000), divided into 11,458,238 no-par value bearer shares with a notional value of € 1. The subscribed capital is fully paid up. Each share grants one voting right.

Based on the authorisation contained in Article 4 of the Articles of Association of 7 March 2018, the share capital has been increased by EUR 8,238. By resolution of the Board of Directors of 6 April 2020, the Articles of Association are amended in § 4 (share capital, authorised capital) (Authorised Capital 2018/I).

By resolution of the Annual General Meeting of 7 March 2018, the Board of Directors is authorised to increase the share capital on one or more occasions until 13 March 2023 by up to EUR 5,725,000.00 against cash and/or non-cash contributions (Authorised Capital 2018/I). After partial utilisation, the authorised capital still amounts to EUR 5,716,762.

(7) Capital reserve

The capital reserve remains unchanged at EUR -3,623,367 as at 30 June 2020 (previous year: EUR -3,623,367 and results from the reverse asset acquisition (see explanations in II.D.).

(8) Revenue reserves and other reserves

Retained earnings include the accumulated results and amount to EUR -10,245,105 (previous year: EUR -9,402,962) as of the balance sheet date. Other reserves include currency differences from the translation of the financial statements of Aladdin Ltd. and amount to EUR 172,978 (previous year: EUR -189,436) as of the balance sheet date.

Long and short-term debt

(9) Trade payables and other liabilities

This item mainly includes trade payables. The trade payables and other liabilities have a remaining term of up to one year.

(10) Other financial liabilities

As at 30 June 2020, other financial consists of a long-term loan payable to a third party (TEUR 200) and short-term shareholder loans (TEUR 1,509) as well as accumulated interest payable (TEUR 93). The loans granted by shareholders in 2019 generally bear interest at 8% p.a.. The short-term loans including the accumulated interest are generally due in mid-2021.

We refer to section IV.G for explanations of loans from related parties.

(11) Provisions

The (current) provisions consist of provisions for closing and audit costs and other provisions. The other provisions were mainly created for the estimated expenses for legal and consulting costs, for market and equity research as well as for administrative fines for the late disclosure of the annual and consolidated financial statements for 2019.

B. Consolidated statement of comprehensive income

(1) Revenues

No revenue was recognised in the first half of 2020 and in 2019.

(2) Other operating income

The other operating income in the 2019 financial year of EUR 223,693 (previous year: EUR 0) resulted from income from currency translation. There was no income in 2020 so far.

(3) Other operating expenses

Other operating expenses as at 30 June 2020 mainly consist of research and development expenses (EUR 106,000), personnel expenses (EUR 81,000), legal and consulting costs (EUR 115,000), financial statement and audit costs (EUR 50,000) and IT costs (EUR 15,000).

(3) Financial result

The financial result consists of financial income and financial expenses. The financial expenses mainly result from interest expenses for the loan liabilities.

(4) Impairment losses from financial assets

The impairment losses in 2019 amounting to EUR 1,532,169 (previous year: EUR 0) result from the impairment of the loan receivable from Aladdin Intel Ltd, Hong Kong, amounting to EUR 1,517,487 and EUR 14,862 from the impairment of an interest receivable from Aladdin Intel Data Ltd UK.

(5) Income tax income

Aladdin SE's net income for the year is subject to a uniform corporate income tax rate of 15% plus a solidarity surcharge of 5.5%. Combined with a trade tax burden of 15.4% (previous year: 15.4%), this results in a combined income tax rate for the Group in Germany of 31.2% (previous year: 31.2%). The income tax rate for Aladdin Ltd. is 19%.

The income tax refunds in 2019 result from tax concessions for research and development costs in 2018. No deferred taxes were incurred in the financial year or in the previous year.

At Aladdin SE, no deferred tax assets were recognised for domestic corporate income tax loss carryforwards of EUR 3,232,353 (previous year: EUR 1,236,429) and trade tax loss carryforwards of EUR 3,232,353 (previous year: EUR 1,236,429) as at 31 December 2019 due to a lack of sufficient certainty that they will be realised. The foreign loss carryforwards for which no deferred tax assets were recognised amounted to EUR 3,660,103 (previous year: EUR 3,398,643) at the balance sheet date. All loss carryforwards cannot expire under the current legal situation.

(6) Earnings per share

The weighted average number of shares for the calculation of basic and diluted earnings per share as at 30 June 2020 is 11,452,660 shares (previous year: 11,450,000 shares).

IV. OTHER DISCLOSURES AND EXPLANATIONS

A. Other financial obligations and contingent liabilities

There were no other financial obligations from long-term contracts or contingent liabilities as at the balance sheet date.

B. Capital management

Capital management is focused on equity. On the balance sheet date, equity amounted to EUR -2,237,257 (previous year: EUR -1,765,765). As a start-up in the field of artificial intelligence, capital management concerns in particular the increase of resources to finance future growth. After the successful completion of the first projects, the funds generated will be used to strengthen the capital and drive further development.

C. Risk management and financial instruments

(1) Credit risks

According to IFRS 7, credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation.

In the Aladdin Group, credit risks can arise in particular in the form of default risks. Significant default risks can arise in other financial assets if borrowers are unable to settle their obligations on time. The maximum default risk is reflected by the value of the non-value-adjusted (loan) receivables in the amount of EUR 0 (previous year: EUR 0).

Maturities and overdues are continuously monitored by the management. In the business year, the loan receivables were fully value-adjusted.

The additional default risks for cash and cash equivalents and other receivables are considered very low or have already been reduced by value adjustments. The maximum default risk is reflected by the respective book value.

(2) Liquidity risks

Liquidity risk describes the risk of not being able to meet obligations arising from financial liabilities. As of 30 June 2020, current liabilities exceed current assets. To ensure the solvency of the Aladdin Group, loans were granted by related parties in 2019. The full or partial repayment of the loans in 2020 and 2021 is, however, subject to sufficient capital being available for the repayment of the loans as part of a capital increase. In addition to the capital increase already carried out in spring 2020, Aladdin SE is planning a further capital increase against cash contributions in the fourth quarter of 2020. If the planned capital increase is not subscribed to the required extent, the liquidity requirements of the Aladdin Group are to be covered by further loans from related persons and companies.

(3) Market risks
(a) Currency risks

Currency risks arise from financial instruments that are denominated in a currency other than the functional currency and are of a monetary nature. As a result of the UK's decision to leave the European Union, exchange rates have become more volatile and there is a high probability of a devaluation of the British pound against the euro. As the operating company Aladdin Ltd. is headquartered in Great Britain, but currently has a relatively low operating business due to the strategic realignment of the Aladdin Group, there is currently a lower foreign currency risk in the Group from operating activities. The equity capital measures carried out to date and the planned equity capital measures and loans granted to finance the Aladdin Group are to be carried out in euros, so that there are only insignificant or no currency risks.

(b) Interest rate risks

There is currently no risk of interest rate changes in the loan agreements due to corresponding fixed interest rates.

D. Additional disclosures on financial instruments

Carrying amounts, valuations and fair values by class and measurement category

	Carrying amount 30.6.2020/ 31.12.2019 EUR	Amortised acquisition cost EUR	At fair value through profit or loss EUR	At fair value through other comprehensive income	Fair value 30.6.2020/ 31.12.2019 EUR
30 June 2020					
Assets					
Cash and cash equivalents	80.340	80.3404	-	-	80.340
Other financial assets					
- Participations	113.589	-	113.589	-	113.589
- Other financial assets	-	-	-	-	-
Liabilities					
Debt instruments					
- Trade payables and other liabilities	229.879	229.879	-	-	229.879
- Other financial liabilities	1.816.122	1.816.122	-	-	1.816.122
31 December 2019					
Assets					
Cash and cash equivalents	754	754	-	-	754
Other financial assets					
- Participations	118.152	-	118.152	-	118.152
- Other financial assets	-	-	-	-	-
Liabilities					
Debt instruments					
- Trade payables and other liabilities	279.961	279.961	-	-	279.961
- Other financial liabilities	1.581.654	1.581.654	-	-	1.581.654
31 December 2019					

All recognised financial assets and liabilities are allocated to level 3 in the fair value measurement classification, as there are no input parameters observable on the market. For all current financial assets and liabilities as well as investments, the acquisition costs represent the best possible estimate of the fair value. Due to the risk-adequate interest rate of the non-current financial liabilities, the book value also corresponds to the fair value.

E. Cash flow statement

The cash flow statement was prepared in accordance with IAS 7 and shows the cash flows from operating activities, investing activities and financing activities.

The financial resources consist of bank balances and cash in hand.

The cash flow from operating activities eliminates non-cash expenses and income. Cash flow from operating activities is presented using the indirect method.

The cash flow from investing activities contains the cash-effective investments and disinvestments in property, plant and equipment and financial assets. The cash flow from investing activities is presented using the direct method.

Cash flow from financing activities includes borrowings and repayments of financial liabilities and, in the previous year, payments received from the capital increase at Aladdin Ltd. Cash flow from financing activities is presented using the direct method.

The non-cash changes in the first half of 2020 are mainly due to exchange rates and interest liabilities.

F. Management and Board of Directors

The **Managing Director shall** conduct the business of the Company in accordance with the law, the Articles of Association of the Company, the rules of procedure for the Managing Director and taking into account the resolutions of the General Meeting. He shall represent the Company vis-à-vis third parties.

During the period under review, the affairs of the Company were managed by Mr Wade Menpes-Smith.

The Managing Director can be contacted at the Company's business address, Unter den Linden 10, 10117 Berlin.

Mr Menpes-Smith held the following other directorships as at the balance sheet date:

-Managing Partner of Aladdin Intel Data Ltd, London

-Managing Partner of 5 Mobile Technologies Ltd, Seychelles

-Managing Partner of Mind Rank Ltd. , Hong Kong

Mr Menpes-Smith does not receive any remuneration for his work as Managing Director of Aladdin SE. No post-employment or termination benefits, share-based payments or other long-term benefits have been agreed.

The **Board of Directors** consists of three members who are elected by the Annual General Meeting. The Board of Directors is appointed until the end of the Annual General Meeting which decides on the discharge for the fourth financial year. The Board of Directors is responsible for supervising the management of the Company by the Managing Director.

The Board of Directors comprised the following persons during the reporting period:

- Wade Menpes-Smith, London/UK (Chairman of the Board)
- Bimal Shah, London/UK (Vice Chairman of the Board)
- Alexander Badenoch, London/UK

As the Board of Directors of the Company consists of only three members, no committees have been formed so far.

The members of the Board of Directors may be contacted at the Company's business address, Unter den Linden 10, 10117 Berlin.

In the 2020 half-year and in the 2019 and 2018 financial years, no remuneration was agreed with members of the Board of Directors for Board activities, post-employment or termination benefits, share-based payments or other long-term benefits.

G. Information on relationships with related persons and companies

The majority of transactions with related parties take place with the members of the executive bodies or the companies of the members of the executive bodies and the Badenoch family.

Information on related parties of Aladdin SE, Berlin:

Name of related persons and companies	Relationship	Seat
Mr Wade Menpes-Smith	Managing Director and shareholder of Aladdin SE, Berlin, directly and indirectly via Aladdin Intel Data Ltd, London and 5 Mobile Technology Ltd.	London
Aladdin Intel Data Ltd, London, 5 Mobile Technology Ltd; London Mind Rank Ltd.AI, Hong Kong	Companies controlled by Mr Wade Menpes-Smith that provide consulting and research and development services to Aladdin SE and Aladdin Ltd.	London or Hong Kong
Mr Bimal Shah	Deputy Chairman of the Board of Directors Aladdin SE, Berlin and indirectly via Elemental Concept 2016 Ltd, London Shareholder of Aladdin SE, Berlin	London
Elemental Concept 2016 Ltd.	Company controlled by Mr. Shah that provides consulting and research and development services to Aladdin SE and Aladdin Ltd.	London

Mr Alexander Badenoch	Board of Directors, shareholder and lender of Aladdin SE, Berlin	London
Mr Hamish Badenoch	Shareholder and lender of Aladdin SE, Berlin, Managing Director of Aladdin Healthcare Technologies Ltd, London	London
Badenoch Family (Alexander Badenoch,Hamish Badenoch James Badenoch, Mrs Amelia Badenoch, R&H Trust Co (Jersey) Ltd)	Shareholders and lenders of Aladdin SE, Berlin	London or Jersey

For the remuneration and other direct and indirect benefits to the members of the executive bodies, please also refer to section IV.F. above and to the consolidated financial statements as at 31 December 2019.

G. Employees

The Aladdin Group employed an average of 3 (previous year: 2) employees including the Managing Director at Aladdin Ltd during the half year 2020 and the financial year 2019.

H. Final examination

Warth & Klein Grant Thornton AG Wirtschaftsprüfungsgesellschaft, Berlin was appointed as auditor of the financial statements and consolidated financial statements for the 2020 financial year.

These interim financial statements and the management report of the Company have not been reviewed by an auditor.

I. Proposal for the appropriation of profits at Aladdin SE

The net loss of Aladdin SE for the financial year 2019 in the amount of EUR 60,924,999 was carried forward.

J. Information on the Declaration on the Corporate Governance Code

The declaration on the Corporate Governance Code required by § 161 of the German Stock Corporation Act (AktG) has been issued by the Executive Directors and the Administrative Board. It is published on the website of Aladdin SE and can be accessed under the link https://aladdinid.com/de/investorrelations/.

K. Events after the balance sheet date

In December 2019, the new Corona virus, which triggers the lung disease Covid 19, appeared for the first time in the Wuhan province of the People's Republic of China. In the weeks that followed, the virus spread rapidly in China and as a result, increasing cases of infection also occurred in Germany and England from March/April 2020. The government in Germany reacted with increasingly drastic measures to restrict social contact, by closing all schools and day-care centres, as well as all restaurants and retail outlets, and a general ban on contact. We were also severely affected by the temporary suspension of business operations of the operating company in England, as this severely restricted the implementation of ongoing projects and the initiation of new ones due to the contact and travel restrictions.

Based on the authorisation contained in Article 4 of the Articles of Association of 7 March 2018, the share capital has been increased by EUR 8,238. The capital increase was entered in the commercial register on 14 May 2020. By resolution of the Board of Directors of 6 April 2020, the Articles of Association were amended in Article 4 (Share Capital, Authorised Capital) (Authorised Capital 2018/I). The Board of Directors is authorised by the Articles of Association of 7 March 2018 to increase the share capital. After partial utilisation, the authorised capital still amounts to EUR 5,716,762. The authorisation expires on 13 March 2023 (Authorised Capital 2018/I).

On 26 November 2020, Mr Alexander Badenoch passed away. His seat on the Board of Directors of Aladdin SE will be taken over by Mr Hamish Badenoch.

Berlin, 25 May 2021

Wade Menpes-Smith
Executive Director

Responsibility statement by the legal representatives

To the best of my knowledge, and in accordance with the applicable reporting principles for interim financial reporting, the interim financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company in accordance with German accepted accounting principles, 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 financial year.

Berlin, 25 May 2021

Wade Menpes-Smith

Managing Director