Proof-of-Reserves Report

Q2 2022

CEO OVERVIEW

We believe that cryptocurrency platforms must build trust through accountability and that we bear a responsibility to address the community's desire for transparency.

Transparency and independently verified reviews are critical to ensure that companies hold full reserves of customer funds.

At Birizon we hold full reserves of all customer assets and have received an independent third-party acknowledgement from Mazars to verify this.

We're proud to submit this Report to the global cryptocurrency community. We believe that the crypto industry is capable of providing a level of assurance and accountability that surpasses the traditional financial services industry, and we aim to lead the charge toward optimal transparency.

PROOF-OF-RESERVES STATUS

Mazars confirms that they have conducted a proof-of-reserves verification by way of the agreed-upon procedures ("AUP") engagement detailed from page 3 onwards in accordance with the International Standard on Related Services (ISRS) 4400 (Revised) and can confirm that Birizon meets the definition of being collateralised as defined in the AUP.

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Birizon   **Mazars**

CEO: Paul Maxison   Partner: Wiehann Olivier

Date: 7 July 2022   Date: 7 July 2022

Location: Sea Point, Cape Town   Location: Century City, Cape Town

7 July 2022

The Directors of Birizon SA OpCo Proprietary Limited

Suite 302

The Equinox

154 Main Street,

Sea Point

Cape Town

BIRIZONTRUST LTD ("BIRIZON") - PROOF OF RESERVE ("POR") REPORT

This report is solely for the purposes of offering Birizon's customers and prospective customers additional transparency and reassurance that their investments are collateralised and exist within Birizon's various wallets. For the purpose of this agreed-upon procedures ("AUP") engagement, the term "collateralised" will be defined as where Birizon's digital assets holdings, as per the *Risk Management Report*, are equal to or greater than the liability of funds owed to customers, as per the customer liability balance included in the *Risk Management Report*.

Birizon has requested that Mazars perform an agreed-upon procedures ("AUP") engagement on the digital assets and corresponding liability of funds owed to customers of Birizon as at 17:00:00 Greenwich Mean Time +2 on 30 June 2022 ("quarter-end"). The directors of Birizon acknowledge that the AUP are appropriate for the purpose of the engagement and are responsible for the subject matter on which the AUP are performed.

Mazars has conducted the AUP engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), *Agreed-Upon Procedures Engagements*. An AUP engagement involves Mazars performing the procedures that have been agreed with Birizon, and report the findings, which are the factual results of the AUP performed. Mazars makes no representation regarding the appropriateness of the AUP.

This AUP engagement is not an assurance engagement. Accordingly, Mazars does not express an opinion or an assurance conclusion. Had Mazars performed additional procedures, other matters might have come to our attention that would have been reported.

Mazars has complied with the relevant ethical requirements. For the purpose of this engagement, there are no independence requirements with which Mazars are required to comply.

Mazars applies International Standard on Quality Control (ISQC) 1, *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements*, and accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

PROCEDURES AND FINDINGS

Mazars has performed the procedures described below, which were agreed upon with Birizon on the POR report.

	Procedure	Findings
1	Obtain the "*Risk Management Report*" from management that lists and quantifies the nominal value of all of the digital assets held by Birizon and the nominal value of digital assets owed to customers at quarter-end.	Mazars obtained the "*Risk Management Report*" from management that lists and quantifies the nominal value of all of the digital assets held by Birizon and the nominal value of digital assets owed to customers at quarter-end.
2	Obtain a complete listing from management of all third-party custodied wallet(s) that constitute the digital asset balances represented on the *Risk Management Report*.	Mazars obtained a complete listing from management of all third-party custodied wallet(s) that constitute the digital asset balances represented on the *Risk Management Report*.
3	Observe management log into the third-party custodied wallet(s) online application by using their unique username, password and 2 factor authentication and obtain the application programming interface ("API") key and secret which will provide read-only rights to the transactional data of the wallet(s).	Mazars observed management log into the third-party custodied wallet(s) online application by using their unique username, password and 2 factor authentication to obtain the application programming interface ("API") key and secret which will provide read-only rights to the transactional data of the wallet(s).
4	For each third-party custodied wallet referred to in procedure 3, independently extract and aggregate the wallet transactions and balance(s) (nominal number of digital assets) at quarter-end through the use of the custodian's API obtained through procedure 3.	For each third-party custodied wallet referred to in procedure 3, Mazars independently extracted and aggregated the wallet transactions and balance(s) (nominal number of digital assets) at quarter-end through the use of the custodian's API obtained through procedure 3.
5	In the instance where API keys are not available, observe management log into the online third-party custodied wallet(s) application by using their unique username, password and 2 factor authentication and obtain the transactional history and online balance report as at quarter-end.	In the instance where API keys are not available, Mazars observed management log into the online third-party custodied wallet(s) application by using their unique username, password and 2 factor authentication and obtained the transactional history and online balance report as at quarter end.
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[1] Demonstrating that the various digital assets listed on the *Risk Management Report* exist within the wallet(s) custody solutions.

	Reconcile the nominal number of digital asset(s) as per the balance(s) obtained through procedures 4 and 5 to the reported nominal digital asset balance included in the *Risk Management Report*. Document any individual variances greater than 1% under the findings report.	Mazars reconciled the nominal number of digital asset(s) as per the balance(s) obtained through procedures 4 and 5 to the reported nominal digital asset balance included in the *Risk Management Report*. Mazars did not identify any variances greater than 1%.
7	Obtain a full listing of the customer balances (funds owed to customers) from management at quarter-end that lists and quantifies the nominal balance(s) of each customer.	Mazars obtained a full listing of customer balances (funds owed to customers) from management at quarter-end that lists and quantifies the nominal balance(s) of each customer.
8	Reconcile the nominal value of the digital assets as per the customer balances referred to in procedure *7* to the nominal value of the customer liability balance included in the *Risk Management Report*. Document any individual variances greater than 1% under the findings report.	Mazars reconciled the nominal value of the digital assets as per the customer balances referred to in procedure *7* to the nominal value of the customer liability balance included in the *Risk Management Report*. Mazars did not identify any variances greater than 1%.
9	Compare the nominal digital asset balance referred to in procedure 6 to the customer liability balance(s) as per the *Risk Management Report* and conclude whether Birizon's digital asset holdings meets the definition of being collateralised.	Mazars compared the nominal digital asset balance(s) referred to in procedure 6 to the customer liability balance(s) as per the *Risk Management Report* and found that Birizon's digital asset holdings meets the definition of being collateralised.

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