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Mesh Trade South Africa (Pty) Ltd
Reg. nr. 2021/765243/07

Examination of Management Assertions
Reserve Account Report – Mesh Trade South Africa (Pty) Ltd
Rand Token (ZAR)
31 May 2025 at 5PM South African Standard Time (SAST)
With Independent Account's Report

Mesh Trade South Africa (Pty) Ltd
Johannesburg, South Africa
Reg. nr. 2021/765243/07

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INDEPENDENT ACCOUNTANT'S REPORT

Mesh Trade South Africa (Pty) Ltd
Reg. nr. 2021/765243/07

We have examined Mesh Trade South Africa (Pty) Ltd below assertions. Mesh Trade South Africa (Pty) Ltd.'s management is responsible for its assertions. Our responsibility is to express an opinion on management's assertions based on our examination. Management's assertions, which are summarized in the attached report, (hereafter referred to as the "Reserve Accounts Report"), which we examined are as follows:

- The Reserve Accounts Report refers to the total supply of Mesh Trade South Africa (Pty) Ltd as of 31 May 2025 at 5pm SAST. Such mZAR, (which also represents the total circulating supply) as denoted under account GCBNWTCCMC32UHZ5OCC2PNMFDGXRVPA7MFFBFFTCVW77SX5PMRB7Q4BY at 2 decimals on 31 May 2025 at 5pm SAST. (the "Report Date and Time) is mZAR 1 864 716.91, as reported by the Stellar Expert and an internally maintained and operated on the Stellar Network. Stellar Expert is a trusted third-party application which provides the user with aggregated data on the Stellar Network activities.

- The Reserve Accounts Report refers to the accounts held by the Company at South African depositary institutions to which cash is swept pursuant to a certain deposit placement agreement. The ZAR balance is at least equal to or greater than R 1 864 836.87 at the Report Date and Time. This does not contemplate the impact of outstanding checks/wires, deposits in transit or other reconciling items.

- The total ZAR supply, for which each Rand is assigned a redemption value, strictly pegged a 1:1 to the South African Rand by the Company.

Our examination was conducted in accordance with the International Standard on Related Services (ISRS 4400) applicable to agreed-upon procedures engagements. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether management's assertions are fairly stated, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material misstatement of management's assertions whether due to fraud or error.

In performing our risk assessment, we considered the Company's internal controls relevant to the aforementioned assertions, in order to design procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion

on the effectiveness of the Company's internal control. Accordingly, we did not test the operating effectiveness of such controls and express no such opinion on such controls.

We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We direct your attention to the accompanying notes of the Reserve Accounts Report for risks and uncertainties related to cryptocurrencies and background information provided by management. We have not audited, reviewed, or performed any procedures to provide assurance with respect to these notes. Accordingly, we provide no opinion conclusion or any other form of assurance with respect to these accompanying notes to the Reserve Accounts Report.

The expressed examination opinion on the above assertions is limited solely to the Reserve Accounts Report at the Report Date and Time noted above. Any activity prior to or after 31 May 2025 at 5pm SAST was not considered when testing the assertion described above. In addition, we have not performed any procedures or provided any lever of assurance on the financial or non-financial activity of the Reserve Accounts Report on dates and times other than the Report Date and Time noted withing this report.

In our opinion, management's assertions noted above are fairly stated as of 31 May 2025 at 5pm SAST, in all material respects.

Simone Coetzee

Signed by Simone Coetzee, Simone@acredo.co.za

12/06/2025 14:01:38(UTC+02:00) SIGNIFLOW

Simone Coetzee
DIRECTOR
Acredo Accounting (Pty) Ltd

Date: 12 June 2025

INVESTMENT HOLDINGS REPORT

Mesh Trade South Africa (Pty) Ltd
Johannesburg, South Africa

31 May 2025 at 5pm SAST (hereafter "Report Date and Time")

The management of the Company hereby makes the following assertions as of the Report Date and Time:

mZAR tokens issued and in circulation. (Notes 1 and 3)	mZAR 1 864 716.91
ZAR reserved for mZAR token holders. (Note 2)	R 1 864 836.87

NOTES

1. The total supply of MESH South African Rand tokens ("mZAR") (which also represents the total circulating supply) as issued by account GCBNWTCCMC32UHZ5OCC2PNMFDGXRVPA7MFFBFFTCVW77SX5PMRB7Q4BY at 2 decimals at the Report Date and Time is 1 864 716.91, as reported by the Stellar Expert operated on the Stellar Network. Stellar Expert is a trusted third-party application which provides the user with aggregated data of the Stellar Network activities.
2. The Reserve Accounts Report refers to the accounts held by the Company at a trusted South African depositary institution where all ZAR reserves backing mZAR are held in a trust account. The ZAR balance is at least equal to or greater than R1 864 836.87 at the Report Date and Time. This does not contemplate the impact of outstanding checks/wires, deposits in transit or other reconciling items.
3. The total mZAR supply, for which each mZAR is assigned a redemption value of R 1 by the Company.

To the best of the knowledge and belief of the undersigned, the information contained in the Reserve Accounts Report as of 31 May 2025 is accurate and complete.

Connie Bloem
Connie Bloem
Signed by Connie Bloem, connie@meshtrade.co

Connie Bloem
DIRECTOR
Mesh Trade South Africa (Pty) Ltd

Date: 12 June 2025

Mesh Trade South Africa (Pty) Ltd
Notes to the Investment Holdings Report
31 May 2025
(No Assurance Provided by the Independent Accountant on These Notes)

1. BACKGROUND INFORMATION PROVIDED BY MESH TRADE SOUTH AFRICA (PTY) LTD

Mesh Trade SA is a wholly owned subsidiary of Mesh BV and operates as a trusted company for the issuance and management of mZAR. Mesh Trade SA is tasked with the management of operations in South Africa, the compliance to regulations, with promoting trust for the DLT community and with stimulating Financial Markets through utilization of the Mesh digital decentralized Financial Market Infrastructure (d^2FMI^{TM}). Core to these tasks is promoting liquid, deep and stable markets which require exchange, settlement, and denomination through stable currencies as a central theme.

Mesh Trade SA does not utilize ZAR funds received in exchange for mZAR for its own benefit. All mZAR funds are kept in a third-party trust account. This ensures that mZAR collateral funds are segregated from business operations. All ZAR funds are held at FAIS compliant Mesh partner banks within South Africa.

mZAR is a fully collateralized South African Rand (ZAR) Stablecoin, based on the Stablecoin framework of Mesh. mZAR is fully redeemable for ZAR held in an account managed by Mesh Trade South Africa (SA).

1 mZAR is redeemable for 1 ZAR. At all times

The current digital asset economy is fast, exciting, and global, but barriers to entry remain. Transacting between digital assets and fiat currencies remains cumbersome due to the gap which exists between Traditional Finance (TradFi) and Decentralized Finance (DeFi).

mZAR was created to bridge the gap between TradFi and DeFi, to bring the power of the blockchain and crypto economy to ZAR based clients. Thus, creating a movement towards a more transparent and open financial market with a trusted and fully audited Stablecoin. Mesh's Stablecoin framework manages the issuance of price-stable digital assets such as fiat backed Stablecoins.

mZAR tokens can be stored, used as a means of exchange, and valued easily and without friction on the Stellar network, and will be supported by other networks in the future. Our standard for mZAR give users the ability to keep liquidity in a tokenized digital asset while still maintaining stability against the Traditional Financial system.

mZAR can be bought with ZAR through https://app.mesh.trade/. Clients transfer ZAR to Mesh Trade SA's verified and trusted bank account and receive mZAR into their Stellar accounts. All clients are required to be KYC verified when purchasing or redeeming mZAR.