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Public

STSS (Malta) Limited (the "Company")
Portomaso Tower Annex, Level 7
Vjal Portomaso
St. Julians, STJ 4011
Malta

Attention: The Board of Directors

1 August 2024

CASH RESERVES REPORT

We have been asked by you to confirm the amount of cash and cash equivalents held by the Company on designated accounts to support the virtual financial asset called EURS issued by the Company from time to time. The explanation of the agreed-upon procedures is included in the Letter of Engagement signed between the Company and BDO Malta on 16/04/2021.

In providing this report we have considered the latest available public information of STSS (Malta) Limited, the latest audited financial statements for the year ended 31 December 2022, unaudited financial statement for the year ended 31 December 2023, results of discussion with the management and results of our observation of the accounts held by the Company. In our capacity as external auditor of the Company, we have performed procedures in accordance with the International Standard on Related services applicable to agreed-upon procedures engagements, in regard to the information provided by the Company and in accordance with the guidance provided by IAASB. The procedures were performed solely to provide the Company and holders of EURS an additional assurance on data explained above

Purpose of this Agreed-Upon Procedures Report

Our report is solely for the purpose of assisting STSS (Malta) Limited in confirming the cash reserves for their external users and may not be suitable for another purpose

Responsibilities of the Engaging Party and the Responsible Party

The Company has acknowledged that the agreed-upon procedures are appropriate for the purpose of the engagement.
The Company is responsible for the subject matter on which the agreed-upon procedures are performed.

Practitioner's Responsibilities

We have conducted the agreed-upon procedures engagement in accordance with the International Standard on Related Services (ISRS) 4400 (Revised), Agreed-Upon Procedures Engagements. An agreed-upon procedures engagement involves our performing the procedures that have been agreed with the Company, and reporting the findings, which are the factual results of the agreed-upon procedures performed. We make no representation regarding the appropriateness of the agreed-upon procedures.
This agreed-upon procedures engagement is not an assurance engagement. Accordingly, we do not express an opinion or an assurance conclusion.
Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Professional Ethics and Quality Management

We have complied with the ethical requirements in Malta (*Accountancy Profession (Code of Ethics for Warrant Holders) Directive*) and with the ethical requirement of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)*. For the purpose of this engagement, there are no independence requirements with which we are required to comply.

Our firm applies *International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Procedures and Findings

We have performed the procedures described below, which were agreed upon with the Company.

	Procedures	Findings
1	*Obtain direct confirmation from banks regarding the balances of cash reserves on the Company accounts*	*We obtained direct confirmation from banks and other financial institutions for 3 accounts designated by the Company as "cash reserve accounts"* *We included the EUR amount confirmed by us in the table with below.*
2	*Obtain direct confirmation from treasury and custodian wallets the balance of EURS token held at the time of confirmation – for reconciliation purposes only*	*We obtained direct confirmation by accessing the ETH blockchain (via etherscan.io), custodian accounts (via app.propine.com, custody.zodia.io, and hexsafe.hextrust.com) and included the balances of EURS in the separate table below for reconciliation purposes only.*

The results of agreed-upon procedures: a listing of the designated accounts and the balances as at 1 August 2024

#	Account	Entity	Amount, EUR	Time of confirmation (CET)
1	Cash investment account	Investment Services company licensed by Cyprus SEC, license # 165/12	26,246.63	16:27
2	Cash investment account	Investment Services company licensed by MFSA, Malta, Category 3 license	19,144,315.07	16:28
4	E-money account	Electronic Money Institution, authorised by Central Bank of Lithuania, license # LB000428	13,277,020.96	00:04
4 *	E-money account	Cash in transit	-	-
	Total, EUR		32,447,582.66	

The results of agreed-upon procedures: a listing of the treasury/custodian accounts and the balances as at 1 August 2024

#	Account	Entity	Amount, EURS	Time of confirmation (CET)
5 **	EURS tokens treasury wallet	STSS (Malta) Limited, 0x1bee4F735062CD00841d6997964F187f5f5F5Ac9	81,580,148.86	16:32
6 **	EURS tokens custodian wallet	Propine.com Propine Technology Pte Ltd, Singapore	1,000,100.00	16:53
7 **	EURS tokens custodian wallet	Hexsafe.hextrust.com Hex Trust Limited, Hong Kong	1,000,100.00	16:57
8 **	EURS tokens custodian wallet	Custody.zodia.io Zodia Custody (Ireland) Limited, Ireland	10,000,000.00	18:47
	Total, EURS		93,580,348.86	

** Treasury and custodian wallets are controlled by STSS (Malta) Limited and used for EURS issued but not distributed. They are not representing cash accounts and cannot be considered as cash reserve for these AUP purposes.

The above procedures do not constitute either an audit or a review made in accordance with International Standards on Auditing (ISA) or International Standards on Review Engagements (ISRE) and consequently we do not express any assurance on the financial information of the Company. This report is being furnished solely in connection with the Company's intention to confirm the amount of cash and cash equivalents held by it on designated accounts to support the virtual financial asset (EURS token) issued by the Company and can only be used (without reliance) by the holders of EURS tokens from time to time. This report reads as of the respective date and time specified in the table above.

Restrictions on Use and Distribution of the Report

Our report is solely for the purpose set forth in the paragraph «Purpose of this Agreed-Upon Procedures Report» and for your information and is not to be used for any other purpose or to be distributed to any other parties beyond the intended users. This report relates only to the items specified above and does not extend to any financial statements of the Company, taken as a whole.

Yours faithfully

Sam Spiridonov
Audit partner