



Independent Assurance Report

To the Directors of Techemynt Limited

Opinion

We have undertaken a reasonable assurance engagement on Techemynt Limited’s (“the Company” or “Techemynt”) statement that, in all material respects, as of 31 March 2022 at 11:59 PM New Zealand Standard Time (the “Report Date”) the number of NZDS Stablecoins (“NZDS”) in circulation of 6,771,215.86 did not exceed the NZ dollars held in the Reserve Account on behalf of NZDS token holders, both as measured in accordance with the Criteria identified by the Company and contained in the accompanying report titled “Reserve Account Statement” (the “Statement”).

In our opinion, the Company’s statement that the number of NZDS in circulation as at the Report Date (as defined in the Statement and below) did not exceed the NZ dollars held in the Reserve Account as at the Report Date (as defined in the Statement and below) is, in all material respects, fairly stated.

The Notes to the Reserve Account Statement are provided for additional information. Such information has not been subjected to the procedures applied in our engagement, and accordingly, we do not express an opinion or provide any assurance on them.

The engagement was not conducted for the purpose of evaluating:

- Whether the underlying Ethereum public blockchain, upon which the NZDS tokens reside, is secure; and
- The design or operating effectiveness of internal controls related to the Reported Balances with respect to the Company, the Ethereum public blockchain, or the New Zealand based depository institution.

Accordingly, we do not express an opinion or any other form of assurance on the above.

Criteria applied by Techemynt

In preparing the Statement, Techemynt applied the following Criteria.

Reported Balances	Criteria
Total number of NZDS in circulation	<ul style="list-style-type: none"> ○ The total NZDS in circulation is the total NZDS supply denoted under contract <code>0xda446fad08277b4d2591536f204e018f32b6831c</code> as reported on the Ethereum public blockchain, less: <ul style="list-style-type: none"> • tokens allowed but not issued at the Report Date; and • blacklisted tokens outstanding at the Report Date as reported on the Ethereum public blockchain.



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Total amount of NZ dollars held in the Reserve Account on behalf of NZDS token holders	<ul style="list-style-type: none">○ The total amount of NZD held in the Reserve Account on behalf and for the benefit of NZDS token holders is the total of balances in accounts segregated from other Company funds and maintained at a New Zealand based depository institution at the Report Date.○ The NZ dollars held within the Reserve Account are free from liens or other encumbrances.
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Such Criteria were specifically designed for the preparation of the Statement. As a result, the Statement may not be suitable for another purpose.

Basis for Opinion

We conducted our engagement in accordance with Standard on Assurance Engagements SAE 3100 (Revised) *Compliance Engagements* issued by the New Zealand Auditing and Assurance Standards Board.

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

Techemynt's Directors' responsibilities

The Directors of the Company are responsible for:

- (a) Providing the Statement with respect to the outcome of the evaluation of the compliance activity against the Criteria which accompanies this independent assurance report.
- (b) Identification of the Criteria if not identified by law and regulation.
- (c) The compliance activity undertaken to meet the Criteria.
- (d) Identification of risks that threaten the Criteria identified above not being met and controls which will mitigate those risks and monitor ongoing compliance.

Our Independence and Quality Control

We are independent of the Company in accordance with Professional and Ethical Standard 1 (revised) *Code of Ethics for Assurance Practitioners* issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

In accordance with the Professional and Ethical Standard 3 (Amended) *Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance Engagements*, Ernst & Young 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.

Assurance Practitioner's responsibilities

Our responsibility is to express an opinion on the Company's statement that, in all material respects, the number of NZDS tokens in circulation did not exceed the NZ dollars held in the Reserve Account on behalf of NZDS token holders in accordance with the Criteria, as of the Report Date.



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SAE 3100 (Revised) requires that we plan and perform our procedures to obtain reasonable assurance about whether the Company's statement that the number of NZDS tokens in circulation did not exceed the NZ dollars held in the Reserve Account on behalf of NZDS token holders is, in all material respects, measured in accordance with the Criteria identified by the Company, as of the Report Date. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

Other than in our capacity as independent assurance practitioner we have no relationship with, or interest in, the Company. Partners and employees of our firm may deal with the Company on normal terms within the ordinary course of trading activities of the business of the Company.

Inherent Limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud or error may occur and not be detected.

Our opinion is as of a point in time. Therefore, our engagement does not provide any assurance that the number of NZDS tokens did not or will not exceed the NZ dollars held in the reserve account at any other point in time.

Restrictions on Use of Report

This report has been prepared for the Directors of Techemynt Limited. However, we understand that a copy of this report will be provided to holders and prospective holders of NZDS tokens. We disclaim any assumption of responsibility for any reliance on this report to any person other than the parties to our engagement who have signed the engagement agreement dated 15 July 2021, or for any purpose other than that for which it was prepared.

Any other party seeking to use this report does so at their own risk and we disclaim all responsibility to any other party for any loss or liability that the other party may suffer or incur arising from, or relating to or in any way connected with the contents of our report, the provision of our report to the other party or the reliance on our report by the other party.

Ernst & Young Limited

A handwritten signature in blue ink, appearing to read 'Graeme Bennett', is written over a light blue circular stamp or watermark.

Graeme Bennett
Partner - Assurance
Auckland
6 July 2022

Reserve Account Report as at 31 March 2022

Techemynt Limited (the “Company” or “Techemynt”) enables its customers to purchase New Zealand Dollar Stablecoins (“NZDS”) which are backed 1:1 with New Zealand Dollar denominated short-term financial assets (“Reserve Account”).

Techemynt complies with the requirement that, as of 31 March 2022 at 11:59 PM New Zealand Standard Time (“Report Date”), the number of NZDS in circulation did not exceed the NZ dollars (“NZD”) held in the Reserve Account on behalf of NZDS token holders. The reported balances are:

1. Total number of NZDS in circulation is: 6,771,215.86
2. Total amount of NZD held in the Reserve Account on behalf of NZDS holders is at least equal to: NZD 6,771,215.86

Criteria related to this statement:

1. Total NZDS in circulation is the total NZDS supply denoted under contract 0xda446fad08277b4d2591536f204e018f32b6831c as reported on the Ethereum public blockchain, less:
 - tokens allowed but not issued at the Report Date; and
 - blacklisted tokens outstanding at the Report Date as reported on the Ethereum public blockchain.

Reconciliation of total NZDS in circulation at the Report Date:

NZDS total supply on the Ethereum public blockchain	6,771,215.86
<i>Less:</i> NZDS tokens allowed but not issued:	-
<i>Less:</i> NZDS tokens blacklisted:	-
<i>Equals:</i> Total NZDS tokens in circulation:	6,771,215.86

2. Total amount of NZD held in the Reserve Account on behalf and for the benefit of NZDS token holders is the total of balances in accounts segregated from other Company funds and maintained at a New Zealand based depository institution at the Report Date.
The NZD held within the Reserve Account are free from liens or other encumbrances such that the NZDS token holders are not restricted from redeeming any given NZDS token for one NZD as at the Report Date (within the terms & conditions associated with the NZDS token).

On behalf of the Company:



Matthew Paget
Chief Operating Officer
Auckland



Fran Strajnar
Executive Director
Auckland

Notes to the Reserve Account Report

(These notes are not subject to an audit by our independent accountant. As such, no assurance has been provided by our independent accountant on these notes.)

1. Background

Techemynt is a registered Financial Services Provider under the New Zealand Financial Service Providers (Registration and Dispute Resolution) Act 2008.

More detailed documentation regarding Techemynt's operations can be found [here](#).

NZDS uses the Circle Internet Financial, LLC open source smart contract code as used by the stablecoin USDC.

NZDS is currently listed on [dassetx.com](#) and [dfx.finance](#) with further listings pending.

The current market pairs available are the New Zealand Dollar peg (\$NZD) and USDC (a US dollar peg).

All New Zealand Dollar denominated short-term financial assets are held in trust on behalf of NZDS token holders.

Redemptions may be subject to the realisation of cash equivalents and/or our ability to require early repayment of term deposit arrangements with the relevant Trust Account Provider.

2. General information on crypto assets

Crypto assets remain an evolving area of technology and marketplace activity. Those who choose to invest in crypto assets, including those issued by the Techemynt Limited, should firstly inform themselves of the general risks and uncertainties, including evolving legal and regulatory requirements.