



Reserve Accounts Report With Independent Accountant's Report

FD121 Limited
October 31, 2023

EXAMINATION OF MANAGEMENT ASSERTIONS BY

**PRESCIENT
ASSURANCE**

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Independent Accountant's Report

FD121 Limited (the "Company")

Room 4001, 40/F, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong

We have examined the Company's below assertions. The Company'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 First Digital USD tokens ("FDUSD") as of October 31, 2023, recorded at 9:00PM Eastern Time ("ET") (November 1, 2023 at 9:00AM Hong Kong Time ("HKT"), being the "Report Date and Time"). Such FDUSD, (which also represents the total circulating supply) as denoted under contract 0xc5f0f7b66764f6ec8c8dff7ba683102295e16409 at 18 decimals recorded on the Report Date and Time is 563,046,158.47 FDUSD (being 45,380,778.88 in BSC and 517,665,379.59 in Ethereum) as reported by BscScan and Etherscan.
- The Reserve Accounts Report refers to the account held and managed by a related party, being a public trust company registered in Hong Kong and a custodian for the Company (the "Custodian", and the account being the "Custody Account"). The USD balance is custodied in the Custody Account for the benefit of the Company. In addition to the Custody Account, the Custodian has opened distinct accounts with separate institutions held under the Custodian's name for the benefit of the Company, including a Swiss financial institution, an Australian financial institution, Hong Kong financial institutions, and an affiliated Hong Kong trust company, which are segregated from the Custody Account and where cash is held or debt instruments that are either expressly guaranteed by the full faith and credit of the United States Government, or held pursuant to overcollateralized overnight reverse repurchase agreements (such accounts in aggregate, being the "Reserve Accounts"). The U.S. dollar (denoted as "US\$") balance amounts backed by U.S Treasury Debt in the Reserve Accounts in the Reserve Accounts is at least equal to or greater than US\$563,046,158.47 at the Report Date and Time. This contemplates the impact of outstanding wires, deposits in transit or other reconciling items.
- The Reserve Accounts Report refers to the Company's Reserve Account holdings as of the Report Date and Time, which includes the disclosure of the total fair value of the Company's asset holdings by asset type. Any amounts held in U.S. Treasury Debt include additional disclosures such as CUSIP and maturity date, as applicable.
- The total FDUSD supply, for which each FDUSD is assigned a redemption value, strictly pegged at 1:1 to the U.S dollar by the Company, does not exceed the balance of the Reserve Accounts reported below.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. 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 judgment, 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.

At any given time, the Company has the right to hold funds in any combination of varying financial instruments at their discretion. Those instruments generally include, but are not necessarily limited to U.S. dollars, U.S Treasury backed Bills and Overnight Reverse Repurchase Agreements.

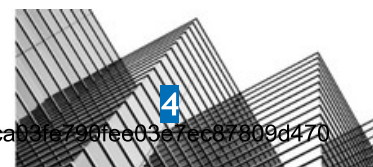
The expressed examination opinion on the above assertions are limited solely to the Reserve Accounts Report at the Report Date and Time noted above. Any activity prior to or after the Report Date and Time at 9:00PM ET (9:00AM HKT) was not considered when testing the assertions described above. In addition, we have not performed any procedures or provided any level of assurance on the financial or non-financial activity of the Reserve Accounts on dates or times other than the Report Date and Time noted within this report.

In our opinion, management's assertions noted above are fairly stated as of the Report Date and Time, in all material respects.

John D Wallace

John D. Wallace, CPA

November 8, 2023



Reserve Accounts Report

FD121 Limited (the "Company")

Room 4001, 40/F, Tower 1, Lippo Centre, 89 Queensway, Admiralty, Hong Kong

October 31, 2023 at 9:00PM ET (November 1, 2023 at 9:00AM HKT) (hereafter "Report Date and Time")

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

FDUSD tokens issued and in circulation (Notes 1 and 4)	563,046,158.47 FDUSD
U.S. dollars / amounts backed by U.S. government guaranteed debt instruments reserved for FDUSD token holders (Note 2)	US\$563,046,158.47

The Company's total Reserve Accounts, which are greater than or equal to the total supply of FDUSD, are comprised of the following asset holdings as of the Report Date and Time (Notes 2, 3 and 5):

Description	CUSIP	Maturity Date	Fair Value as of Report Date and Time
U.S. Treasury Bills	912796YT0	2NOV23	\$25,606,560.90
U.S. Treasury Bills	912797HJ9	7NOV23	\$56,668,144.88
U.S. Treasury Bills	912797FJ1	9NOV23	\$95,904,986.81
U.S. Treasury Bills	912797HK6	14NOV23	\$23,554,994.80
U.S. Treasury Bills	912797FK8	16NOV23	\$30,093,798.80
U.S. Treasury Bills	912797HL4	21NOV23	\$23,411,942.38
U.S. Treasury Bills	912797FL6	24NOV23	\$17,640,227.10
U.S. Treasury Bills	912797HM2	28NOV23	\$25,065,967.27
U.S. Treasury Bills	912796ZD4	30NOV23	\$26,138,227.50
U.S. Treasury Bills	912797HN0	5DEC23	\$19,989,831.26
U.S. Treasury Bills	912797HU4	12DEC23	\$20,817,854.29
U.S. Treasury Bills	912797FU6	14DEC23	\$19,873,520.00
U.S. Treasury Bills	912797HV2	19DEC23	\$15,567,977.00
U.S. Treasury Bills	912797FV4	21DEC23	\$4,998,899.79
Total U.S. Treasury Bills:			\$405,332,932.78
Collateral Held Pursuant to Overnight Reserve Repurchase Agreements			
U.S. Treasury Debt	912797JB4	1NOV23	\$13,000,000.00
U.S. Treasury Debt	912797HM2	1NOV23	\$13,000,000.00
Total U.S. Government Guaranteed Debt Instruments Held Pursuant to Overnight Reserve Repurchase Agreements:			\$26,000,000.00
Fixed Deposits			
1-month Fixed Deposit		27NOV23	\$5,000,000.00
1-month Fixed Deposit		30NOV23	\$6,000,000.00

	Total Fixed Deposits:	\$11,000,000.00
	Total U.S. Dollars Held:	\$145,679,881.52
	Total Assets Held in Reserve Accounts:	\$565,012,824.30

Notes:

1. The total supply of First Digital USD tokens ("FDUSD") (which also represents the total circulating supply) as denoted under contract 0xc5f0f7b66764F6ec8C8Dff7BA683102295E16409 at 18 decimals, recorded at the Report Date and Time is 563,046,158.47 FDUSD (being 45,380,778.88 in BSC and 517,665,379.59 in Ethereum) as reported by BscScan and Etherscan. An amount of 22,999,990.00 FDUSD has been subsequently minted immediately after the Report Date and Time (see Note 5 for details).
2. This Reserve Accounts Report refers to the account held and managed by a related party, being a public trust company registered in Hong Kong and a custodian for the Company (the "Custodian", and the account being the "Custody Account"). The USD balance is custodied in the Custody Account for the benefit of the Company. In addition to the Custody Account, the Custodian has opened distinct accounts with separate institutions held under the Custodian's name for the benefit of the Company, including a Swiss financial institution, an Australian financial institution, Hong Kong financial institutions, and an affiliated Hong Kong trust company, which are segregated from the Custody Account and where cash is held or debt instruments that are either expressly guaranteed by the full faith and credit of the United States Government, or held pursuant to overcollateralized overnight reverse repurchase agreements (such accounts in aggregate, being the "Reserve Accounts"). The U.S. dollar balance in the Reserve Accounts is at least equal to or greater than US\$563,046,158.47, respectively, at the Report Date and Time. This contemplates the impact of outstanding wires, deposits in transit or other reconciling items.
3. This Reserve Accounts refers to the Company's Reserve Accounts holdings as of the Report Date and Time, which includes the disclosure of the total fair value, calculated using the publicly available pricing as of the Report Date and Time, of the Company's asset holdings by asset type as reported above.
4. The total FDUSD supply, for which each FDUSD is assigned a redemption value of US\$1.00 by the Company, does not exceed the balance of the Reserve Accounts reported above.
5. For the total U.S. Dollars held in the Reserve Accounts, an amount of US\$22,999,990.00 has been transferred to the Reserve Accounts immediately prior to the Report Date and Time. Accordingly, the corresponding amount of 22,999,990.00 FDUSD have been minted on November 1, 2023.

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



Vincent Chok, CEO
November 8, 2023