Vrajesh Shah

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INDEPENDENT AUDITOR'S REPORT

The Board of Directors
FAZE THREE US LLC
347 W, 349th Street, #7W
New York, NY 10018

Opinion

We have audited the accompanying financial statements of Faze Three US LLC ("the Company"), which comprise the balance sheet as of December 31, 2025, and the related statements of income, changes in shareholders' equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2025, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America. This audit report is issued solely for the purpose of fulfilling the Annual Performance Reporting requirement as stipulated by the Reserve Bank of India. It is intended for use by the management of the audited entity and relevant regulatory authorities. This report should not be relied upon for any other purpose or by any other parties without appropriate consultation with the auditors. Any reproduction, dissemination, or distribution of this report, in whole or in part, without prior written consent from the auditors is strictly prohibited.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control

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relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Use professional judgment and exercise professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date the financial statements are issued.



We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and internal control related matters that we identified during the audit.

Vrajesh Shah
Certified Public Accountant
NJ CPA License # 20CC04295000

March 31, 2026



Faze Three US LLC

Balance Sheet As of December 31, 2025 (Amount in USD)

Particulars	Dec 31, 25
ASSETS	
Current Assets	
Checking/Savings	
Bank Account	268,812.32
Total Checking/Savings	268,812.32
Accounts Receivable	
Accounts Receivable	1,075,190.00
Total Accounts Receivable	1,075,190.00
Other Current Assets	
Inventories	49,758.94
Total Other Current Assets	49,758.94
Total Current Assets	1,393,761.26
TOTAL ASSETS	**1,393,761.26**
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
Accounts Payable	923,505.85
Total Accounts Payable	923,505.85
Other Current Liabilities	
Provisions	133,648.89
Federal taxes	5,928.00
Total Other Current Liabilities	139,576.89
Total Current Liabilities	1,063,082.74
Total Liabilities	1,063,082.74
Equity	
Capital Stock	375,000.00
Retained Earnings	(179,527.83)
Net Income	135,206.35
Total Equity	330,678.52
TOTAL LIABILITIES & EQUITY	**1,393,761.26**



Faze Three US LLC
Statement of Income for the year ended December 31, 2025

(Amount in USD)

Particulars		For the year ended Dec 31, 2025	
Ordinary Income/Expense			
Income			
	Sales		4,164,175.02
Total Income			**4,164,175.02**
Cost of Goods Sold			
	Opening Stock	157,443.67	
	Cost of Goods Sold	2,592,046.12	
	Less: Closing Stock	49,758.94	2,699,730.85
	Freight and Shipping Costs		931,732.25
	Warehouse Expenses		14,924.69
Total COGS			3,646,387.79
	Gross Profit		517,787.23
Expense			
	EDI Services		7,941.65
	Sample Expenses		1,754.50
	Rent Expenses		143,093.37
	Business Licenses and Permits		2,355.48
	Sales Promotion Exp		14,060.00
	Bank Service Charges		985.00
	Finance Cost		10,962.18
	Customer Service/Accounting (Customer Service/Accounting)		44,783.36
	Travel Expenses		58,124.99
	Professional Fees		92,592.35
Total Expense			376,652.88
Net Income before Tax Expense			141,134.35
	Federal Tax Expense		5,928.00
Net Income			**135,206.35**

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Faze Three US LLC

Statement of changes in equity for the year ended December 31, 2025

(Amount in $)

	Stock	Retained earnings	Total
Balance as at January 1, 2024	**3,75,000.00**	**(2,61,147.32)**	**1,13,852.68**
Profit for the year	-	81,619.49	81,619.49
Transfer to retained earnings	-	-	-
Balance as at December 31, 2024	**3,75,000.00**	**(1,79,527.83)**	**1,95,472.17**
Profit for the year	-	1,35,206.35	1,35,206.35
Transferred to retained earnings	-	-	-
Dividend distributed during the year	-	-	-
Balance as at December 31, 2025	**3,75,000.00**	**(44,321.48)**	**3,30,678.52**



FAZE THREE US LLC

Statement of Cash Flows for the year ended December 31, 2025

(Amount in $)

Particulars	Year ended December 31, 2025
Cash flow from operating activities	
Profit before tax	141,134.35
Adjustments for:	
Depreciation and amortization expenses	-
Finance cost	10,962.18
Interest income	-
Operating profit before working capital changes	**152,096.53**
Changes in working capital	
Decrease/(Increase) in inventories	107,684.73
Decrease/(Increase) in trade receivables	(900,145.25)
(Decrease)/Increase in trade payables	781,025.26
(Decrease)/Increase in other current liabilities	135,998.89
Cash generated from operations	**276,660.16**
Income tax paid (net of refund)	(5,928.00)
Net cash generated from/ (used in) from operating activities (A)	**270,732.16**
Cash flow from Investing activities	
	-
Net cash flow (used in) / generated from investing activities (B)	**-**
Cash flow from Financing activities	
Finance cost	(10,962.18)
Net cash (used in) / generated from financing activities (C)	**(10,962.18)**
Net increase in cash and cash equivalents (A+B+C)	259,769.98
Cash and cash equivalents at the beginning of the year	9,042.34
Cash and cash equivalents at the end of the year	**268,812.32**
Cash and cash equivalents comprise	
Balances with banks	
In current accounts	268,812.32
Cash on hand	-
Total cash and cash equivalents at end of the year	**268,812.32**



1. ORGANIZATION AND NATURE OF BUSINESS

Faze Three US LLC ("the Company") a New York Corporation was incorporated in 2017.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Presentation

The accompanying financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

(b) Revenue Recognition

The Company accounts for revenue under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 606, which requires revenue to be recognized when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity is expected to be entitled for those goods and services.
In determining the appropriate amount of revenue to be recognized as the Company fulfills its obligations under customer agreements, the Company performs the following steps:

i. identification of the promised goods or services in the contract;

ii. determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract;

iii. measurement of the transaction price, including the constraint on variable consideration;

iv. allocation of the transaction price to the performance obligations based on estimated selling prices; and

v. recognition of revenue when (or as) the Company satisfies each performance obligation. A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account in ASC Topic 606.

Revenue is derived primarily from the sale of products.

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Cash and Cash Equivalents

For the purpose of reporting cash flows, the Company considers all highly liquid investments purchased with a maturity of three months or less as cash and cash equivalents in the accompanying balance sheets.

Valuation of Accounts Receivable

Trade accounts receivables are carried at their estimated collectible amounts. Trade credit is generally extended on a short-term basis; thus, trade accounts receivable do not bear interest.

The Company makes judgments as to the collectability of accounts receivable based on historical trends and future expectations. Management estimates an allowance for doubtful accounts which represents the collectability of accounts receivable. This allowance adjusts gross receivables downward to their estimated realizable value. To determine the allowance for doubtful accounts, management reviews specific client risks and the Company's accounts receivable aging. Management considers accounts past due on a client-by-client basis.

Inventories

Inventories are priced at the lower of cost or market, with cost determined on a first-in, first-out basis and market based on the lower of replacement cost or estimated realizable value.

Income Tax

The Company is a "C" corporation and files federal income tax returns as well as any required state and local income tax returns.

Accounting principles generally accepted in the United States of America require the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are more likely than not sustainable upon examination by the applicable taxing authorities, based on the technical merits of the tax positions, and then recognizing the tax benefit that is more likely than not to be realized. Tax positions not deemed to meet the more- likely-than-not threshold would be recorded as a tax expense in the current reporting period. Management believes any such position would be immaterial to the overall financial statements of the Company.



The Company's federal, state and local income tax returns for the years subsequent to 2018 remain subject to examination by the relevant taxing authorities.

Deferred income tax assets and liabilities are recognized for the future tax consequences attributed to differences between the financial statement and tax basis of existing assets and liabilities using enacted rates applicable to the periods in which the differences are expected to affect taxable income. A valuation allowance is established, when necessary, to reduce deferred tax assets to the amount estimated by us to be realizable. The Company recognizes the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities. The Company did not have any unrecognized tax benefits.

Accounting Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingencies, if any, at the date of the financial statements, and revenue and expenses during the reporting period. Actual results could differ from those estimates.

Related Party Transactions:

1) Name: Faze Three Limited

   Relationship: Holding Company

   Transactions during the year: Purchases amounting to $ 2,592,046.12

   Accounts Payable as at December 31, 2025: $ 907,364.90

2) Name: Faze Three SMS LLC

   Relationship: Entity under Common Control

   Transactions during the year: Loans and advances provided amounting to $ 25,000.00

   Loans and Advances as at December 31, 2025: $ 25,000.00

Commitments and Contingencies:

The Company does not have any commitments or contingencies as at December 31, 2025.

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Subsequent Events

The Company has evaluated subsequent events from December 31, 2025, through March 31, 2026, the date the financial statements were available to be issued and no events have occurred requiring an adjustment to the financial statements or disclosure.

