

HODLNAUT PTE. LTD.
(INTERIM JUDICIAL MANAGERS APPOINTED BY COURT)
(REG. NO. 201911850K)

10 February 2023

BY EMAIL

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Twenty-Sixth Circular

HODLNAUT PTE. LTD. (INTERIM JUDICIAL MANAGERS APPOINTED BY COURT)
(THE “COMPANY”)
DISPOSAL INQUIRY DI-900058-2022

Dear Sir / Madam

We refer to the Second Circular dated 10 September 2022 and the Eighteenth Circular dated 25 November 2022.

As stated in the Eighteenth Circular, the Company’s application to the Singapore High Court for permission to commence judicial review in relation to certain orders made by the Commercial Affairs Department (“**CAD**”) and the Singapore Police Force (“**SPF**”) was discontinued on 21 November 2022. The CAD has since made the application to Court for the release and disposal of the cryptocurrency previously seized and/or frozen by the CAD (the “**Seized Cryptocurrency**”):

- (a) The cryptocurrency account (the “**Account**”) opened in the name of Samtrade Custodian Limited (“**Samtrade**”) (UEN: 25249 IBC 2018) held with the Company. CAD seized the Account on 29 December 2021 pursuant to an order under section 35(1)(a) of the Criminal Procedure Code (Chapter 68, 2012 Revised Edition) (“**CPC**”). As of 29 June 2022, the Account had a balance of USD Coin (“**USDC**”) 56,165,290.647886 and Tether Token (“**USDT**”) 71,080,706.280258; and
- (b) Cryptocurrency of USDT 3,905,419.201323 and USDC 6,349,692.342034 from the asset balance in the Account, which was transferred into the SPF cryptocurrency wallet (“**SPF Wallet**”) on 14 July 2022, pursuant to CAD’s written order under section 35(2)(a) of the CPC on the same date.

The CAD has applied for an order under section 370(2)(e)(i) of the CPC for:

- (a) CAD’s seizure of the Account be lifted or released; and
- (b) The cryptocurrencies transferred by the Company from the Account into the SPF Wallet on 14 July 2022 be delivered to Samtrade’s Liquidators.

At the disposal inquiry mentions held before the Court on 9 February 2023 (the “**Mentions**”), the relevant parties updated the Court on their respective positions with regard to the Seized Cryptocurrency:

		Parties’ position	
	Parties	Seizure of the Account	Cryptocurrency in the SPF Wallet
1.	CAD	Seizure of the account balance in the Account to be lifted / released	Cryptocurrency in the SPF Wallet to be delivered to the Liquidators of Samtrade
2.	Liquidators of Samtrade	Seizure order to be lifted, and possession of the balance of the Account to be given to the Liquidators of Samtrade	Aligned with the CAD’s position (see above)

NOTICE

The affairs, business and property of the Company are being managed by the Interim Judicial Managers appointed by the Court. Pursuant to section 102(1)(a) of the Insolvency, Restructuring, and Dissolution Act 2018, the Interim Judicial Managers act only as agents for and on behalf of the Company and do not assume responsibility whatsoever in respect of any contracts entered into by the Company whether by this letter or by any action taken on their part.

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3.	Interim Judicial Managers of the Company (the "IJMs")	Lifting of the seizure order to be granted in the terms sought, with no further order (<i>i.e.</i> , no payment out of the Company)	Cryptocurrency in the SPF Wallet to be delivered to the IJMs <ul style="list-style-type: none">Submitted that based on case law, the IJMs are the party with the better claim to possession
4.	Mr Goh Nai De	Monies to be ringfenced with an assurance that the assets will be preserved solely for the repayment of creditors and customers of Samtrade <ul style="list-style-type: none">Will leave it to the Court to decide where the cryptocurrency in the SPF Wallet ought to be returned to (<i>i.e.</i>, the Company or the Liquidators of Samtrade)	

Therefore, the Court gave the following directions (the "Directions") at the Mentions:

1. A Pre-Trial Conference to be held on 22 February 2023 (Wednesday) at 4pm for the claimants to state whether additional evidence is to be put before the Court, and if so, the mode of such evidence ("Status PTC").
2. Written submissions (if any) to be filed by 13 March 2023 (Monday) at 12pm.
3. Reply submissions (if any) to be filed by 27 March 2023 (Monday) at 12pm.
4. Disposal inquiry hearing to be heard on 3 April 2023 (Monday) at 2.30pm.

Please note that the Directions may be revised at the Status PTC if additional evidence is to be put before the Court.

For avoidance of doubt, nothing herein shall be construed as an admission by the IJMs and/or the Company of any outstanding sums which may be due and owing by the Company to you.

If you have any queries in relation to the above, please email us at hodlnaut@sg.ey.com.

Yours faithfully,



Aaron Loh Cheng Lee
Interim Judicial Manager
For and on behalf of
Hodlnaut Pte. Ltd.
(Interim Judicial Managers Appointed by Court)

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