

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

10 August 2023

BY EMAIL

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Forty-Sixth Circular

**HODLNAUT PTE. LTD. (INTERIM JUDICIAL MANAGERS APPOINTED BY COURT)
(THE “COMPANY”)**

Updates on HC/CWU 94/2023 (“CWU 94”), HC/OA 451/2022 (“OA 451”), HC/SUM 1537/2023 (“SUM 1537”), HC/SUM 4010/2022 (“SUM 4010”), HC/OA 792/2023 (“OA 792”), HC/SUM 2362/2023 (“SUM 2362”)

Dear Sir/ Madam

We refer to the Fortieth Circular dated 8 June 2023 and the Forty-Fourth Circular dated 29 July 2023. Unless otherwise stated in this circular, we adopt the abbreviations used in the Forty-Fourth Circular.

As stated in the Fortieth Circular, the hearing for CWU 94, SUM 1537 and SUM 4010 were scheduled to be heard on 7 August 2023 at 10.00am (the “**Hearing**”).

After our Forty-Fourth Circular and just before the Hearing, on Friday, 4 August 2023, Mr Lee had filed and served on us an Originating Application for a moratorium pursuant to Section 210(10) of the Companies Act (*i.e.* OA 792) and a Summons seeking leave of the Court to file OA 792 (*i.e.* SUM 2362), and further written submissions on the same. Given the timing of Mr Lee’s filing of OA 792 and SUM 2362, we had filed a supplementary bundle of authorities and bundle of documents in the morning of the Hearing.

The aforementioned documents are listed below and can be downloaded at the following link:

1. [the 1st Affidavit of Mr Lee filed in OA 792 and SUM 2362 dated 4 August 2023](#);
2. [OA 792 filed on 4 August 2023](#);
3. [SUM 2362 filed on 4 August 2023](#);
4. [Mr Lee’s Further Written Submissions dated 4 August 2023](#);
5. [Mr Lee’s Bundle of Authorities 4 August 2023](#);
6. [IJM’s Supplementary Bundle of Authorities dated 7 August 2023](#); and
7. [IJM’s Supplementary Bundle of Documents dated 7 August 2023](#).

Please note that the documents accessible by the link above are password-protected. All known interested parties of the Company will be receiving the password through the email addresses in the Company’s records. Any such party of the Company who has not been sent the password or has difficulty accessing the documents may email the IJMs at hodlnaut@sg.ey.com for assistance.

Therefore, the Hearing, which was originally scheduled to hear only CWU 94, SUM 1537, and SUM 4010, also addressed the new applications filed by Mr Lee, *ie* OA 792 and SUM 2362.

At the Hearing, the Honourable Justice Aedit Abdullah (“**Aedit J**”) expressed concern regarding the directors’ conduct leading up to the filing of OA 792 and SUM 2362. In particular, with regard to the directors engaging with OPNX without involving the IJMs, Aedit J expressed that he did not like behind the scenes manoeuvring and that the IJMs are there as court officers and are not to be ignored. Aedit J underlined that with regard to any proposed restructuring, the directors need to work through and with the IJMs, and not on their own.

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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In the circumstances and after hearing submissions from the parties, Aedit J agreed with the IJMs' counsel that both directors (*ie* both Mr Lee and Mr Zhu Juntao) should explain, on affidavit, their conduct to-date in relation to their dealings with OPNX and on the issue raised by the IJMs' counsel regarding their actions between 30 May 2023 and 23 June 2023 of converting approximately US\$20 million worth of Tether tokens (which they contend are owned by Hodlnaut Trading Limited, the Company's subsidiary set up in Hong Kong) into FLEX tokens. Aedit J also agreed to grant other specific orders sought by the IJMs' counsel.

Accordingly, Aedit J adjourned the Hearing for one month (with a specific hearing date to be fixed thereafter) and made the following directions:

1. By Friday, 11 August 2023, the directors of Hodlnaut, Mr Lee and Mr Zhu Juntao are to each file an affidavit to explain their course of conduct to-date in relation to dealing with OPNX, and the investment into FLEX tokens;
2. Parties are to attend at a Case Conference, where the IJMs are to confirm their position regarding OA 792 and SUM 2362 and take related directions accordingly, and Mr Lee is to confirm whether he is still pursuing OA 792 and SUM 2362. Please note that after the Hearing, this Case Conference was fixed on **23 August 2023 at 10am** ("**23 Aug CC**");
3. The IJMs are able to seek the Court's orders in relation to the protection of the assets of the Company on an expedited basis if any circumstances arise, and that any application for injunctive relief would be heard by Aedit J;
4. The IJMs are authorised to commence and continue claims in respect of the Company's possessory and/or proprietary rights to the cryptocurrencies that were seized by the Singapore Police Force and ordered to be disposed to the liquidators of Samtrade Custodian Limited pursuant to the orders made in DI-900058-2022 (*ie* the Disposal Inquiry); and
5. Liberty to apply in relation to these directions.

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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