

**IN THE GENERAL DIVISION OF THE HIGH COURT OF THE REPUBLIC  
OF SINGAPORE**

HC/OA 861/2024

In the matter of Section 64 of the  
Insolvency, Restructuring and Dissolution  
Act 2018 (No. 40 of 2018)

And

In the matter of **ZETTAI PTE. LTD.**  
(Singapore UEN No. 201900774K)

**ZETTAI PTE. LTD.**  
(Singapore UEN No. 201900774K)

... Applicant

**AFFIDAVIT**

Name of Nischal Shetty (Permanent Account Number  
maker: BNTPS2268H)  
Address: c/o 20 Bendemeer Road #03-12 BS Bendemeer Centre,  
Singapore 339914  
Occupation: Director  
Description: Applicant

I, **NISCHAL SHETTY** (Permanent Account Number BNTPS2268H),  
do solemnly and sincerely affirm and say as follows:

**I. INTRODUCTION**

1. I am a director of Zettai Pte Ltd ("**Zettai**") and I am duly authorised to  
make this affidavit.

2. Unless otherwise stated, all matters stated herein are within my personal knowledge and are true. Insofar as matters deposed herein are not within my personal knowledge, they are based on documents within my possession which are true to the best of my knowledge, information and belief.
3. Where context permits, I adopt the abbreviations used in my first affidavit filed in support of HC/OA 861/2024 (“**OA 861**”) dated 27 August 2024 (“**NS’s 1<sup>st</sup> Affidavit**”), my second affidavit filed on 10 September 2024 (“**NS’s 2<sup>nd</sup> Affidavit**”), my third affidavit filed on 19 September 2024 (“**NS’s 3<sup>rd</sup> Affidavit**”) and my fourth affidavit filed on 17 October 2024 (“**NS’s 4<sup>th</sup> Affidavit**”).
4. Now shown to me and marked as “**NCS-5**” are the exhibits that I will be relying on in this affidavit.
5. I refer to the Moratorium Order *vide* HC/ORC 4951/2024 dated 26 September 2024 made by the Honourable Court at the hearing of OA 861.
6. In this affidavit, I wish to bring the following matters to the attention of the Honourable Court:

(a) In accordance with paragraph 4(c) of the Moratorium Order, Zettai's latest management accounts, balance sheets and profit and loss statement as at 27 August 2024.

(b) Other miscellaneous updates relating to OA 861.

**(A) FINANCIAL INFORMATION**

7. As directed by the Honourable Court in the Moratorium Order, I enclose in this affidavit Zettai's unaudited consolidated management accounts for the year ending 31 March 2024 and period ending 27 August 2024 at "**NCS-5, Tab 1**". This includes, among other things, Zettai's consolidated profit and loss statement for the year ending 31 March 2024 and period ending 27 August 2024, and consolidated balance sheet as at 31 March 2024 and 27 August 2024.
8. The aforesaid management accounts have been prepared using generally accepted accounting principles. I also wish to highlight that they are prepared on the basis that the ownership of the Platform is under dispute, and hence the contingent assets and liabilities relating to the token assets associated with the Platform are not included within the management accounts.

**(B) OTHER UPDATES IN OA 861**Updates relating to the Committee of Creditors (“COC”)

9. **1<sup>st</sup> COC Meeting**: In NS’s 4<sup>th</sup> Affidavit, I mentioned that the 1<sup>st</sup> COC Meeting was held on 15 October 2024. The redacted minutes and slides were subsequently circulated to all creditors via email dated 30 October 2024. Copies of (i) the aforesaid email dated 30 October 2024, (ii) the redacted meeting minutes of the 1<sup>st</sup> COC Meeting and (iii) the slides presented at the 1<sup>st</sup> COC Meeting are exhibited hereto at “**NCS-5, Tab 2**”.
  
10. **Replacement of three inactive COC Members**: During the COC selection process, as previously communicated to creditors, Zettai made it clear that inactive COC Members may be removed<sup>1</sup> and requested that COC Members make every effort to attend all COC meetings. Active participation from COC Members was emphasised during the selection process, as it is envisaged that COC Members can act as a sounding board for Zettai and its advisors to better understand the views of creditors and aid the development of restructuring terms acceptable to creditors generally.<sup>2</sup>

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<sup>1</sup> NS’s 4<sup>th</sup> Affidavit at p. 1152

<sup>2</sup> NS’s 4<sup>th</sup> Affidavit at [18]; see also p. 1150 to 1160

11. The Zettai team identified six such inactive members that did not attend the first COC meeting and the Zettai communications team attempted to contact each of the six members that did not attend the 1<sup>st</sup> COC Meeting. The communications team engaged with three of the six members, each of whom stated they were unable to attend the 1<sup>st</sup> COC Meeting for various reasons. These three COC Members subsequently attended a 1<sup>st</sup> COC Meeting round-up call (to be apprised of matters raised at the 1<sup>st</sup> COC Meeting) and the 2<sup>nd</sup> COC Meeting (see details below at paragraph 15).
12. The other three inactive COC Members remained uncontactable, following the Zettai communications team's multiple attempts to contact them on four separate occasions between 15 October 2024 and 18 October 2024. The three inactive and uncontactable COC Members were informed via email that the Zettai team would be replacing them as COC Members (see paragraph 10 above) given that they remained uncontactable, and that if they wished to remain as COC Members, they should contact the Zettai team.
13. The three inactive COC Members did not respond affirmatively by the stipulated date. Therefore, three new COC Members were randomly

selected on 21 October 2024, in accordance with the selection process for the original COC<sup>3</sup>.

14. With the replacement of the three inactive members, the current COC stands at ten members.
15. **2<sup>nd</sup> COC Meeting**: On 29 October 2024, a second meeting of the COC ("**2<sup>nd</sup> COC Meeting**") was held via Zoom, which was attended by members of the COC, as well as representatives from Zettai and Kroll. Redacted meeting minutes of the 2<sup>nd</sup> COC Meeting and the slides presented at the 2<sup>nd</sup> COC Meeting are currently being prepared and will be circulated via email to all creditors.

#### 4<sup>th</sup> Creditors' Townhall

16. The 4<sup>th</sup> Creditors' Townhall was held on 6 November 2024 via Zoom and livestreamed on Youtube to provide creditors with a general update on the restructuring process, including matters discussed at the 2<sup>nd</sup> COC Meeting. Creditors were invited to attend the townhall via an email circulated on 4 November 2024, a copy of which is exhibited hereto at "**NCS-5, Tab 3**", and creditors who wished to participate in the live Q&A session could sign up via a link provided in the email.

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<sup>3</sup> NS's 4<sup>th</sup> Affidavit at [20]; p. 1154. The 3 inactive members who were replaced were from the 0-10<sup>th</sup>, 10-20<sup>th</sup> and 40-50<sup>th</sup> percentile Tranche.

17. The 4<sup>th</sup> Creditors' Townhall lasted approximately 2 hours, and members from Zettai and Kroll (our financial advisors) were present at the townhall to share updates as well as respond to queries posed by creditors. The townhall is publicly accessible for the benefit of creditors who were unable to attend.<sup>4</sup>

### Scheme Timeline Calculator

18. To keep creditors apprised on the status of the ongoing restructuring process, the Zettai team has published an illustrative interactive scheme timeline calculator on the WazirX website.<sup>5</sup>

19. The scheme timeline calculator has been designed with an interactive interface which allows creditors to toggle the expected completion dates for certain milestones to illustrate the impact on when a potential scheme may become effective. The Zettai team hopes that the calculator, on top of Zettai's other efforts such as blog posts and regular email correspondence, will be a helpful tool to ensure that creditors are kept well-informed of the restructuring journey.

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<sup>4</sup> A recording of the 4<sup>th</sup> Creditors' Townhall can be accessed at the following link: <https://www.youtube.com/watch?v=NfU7Yruatdo&themeRefresh=1> (Link accessed on 7 November 2024)



<sup>5</sup> The scheme timeline calculator can be accessed at the following link: <https://wazirx.com/scheme-timelines> (Link accessed on 7 November 2024)

20. Creditors were informed on the launch of the scheme timeline calculator by way of an email sent to all creditors on 30 October 2024, a copy of which is already exhibited hereto at “**NCS-5, Tab 2**”.

AFFIRMED and signed electronically )  
by the abovenamed )  
**NISCHAL SHETTY** )  
on the 7<sup>th</sup> day of November 2024 )  
in SINGAPORE )  
appearing before the Commissioner for Oaths )  
via a live video link )



Before me

**A COMMISSIONER FOR OATHS**

This Affidavit is filed on behalf of the Applicant



**LIST OF EXHIBITS**

<b>Tab No.</b>	<b>Description of exhibit</b>
1.	Zettai's consolidated management accounts as at 27 August 2024
2.	(a) Email from Zettai to users dated 30 October 2024 (b) Redacted minutes of the 1 <sup>st</sup> COC Meeting (b) Redacted slide deck presented at the 1 <sup>st</sup> COC Meeting
3.	Email from Zettai to users dated 4 November 2024

THIS IS THE EXHIBIT MARKED "NCS-5"  
REFERRED TO IN  
THE AFFIDAVIT OF  
**NISCHAL SHETTY**  
AFFIRMED ON  
THE 7TH DAY OF NOVEMBER 2024

BEFORE ME



*Goh E Pei*

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A COMMISSIONER FOR OATHS

**TAB – 1**

**ZETTAI PTE. LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

(Amount in US\$)

<b>Particulars</b>	<b>Notes</b>	<b>Balance as at August 27, 2024</b>	<b>Balance as at March 31, 2024</b>
<b><u>ASSETS</u></b>			
<b><u>Current assets:</u></b>			
Cash and cash equivalents	1	27,841,163	51,672,979
Trade receivables	2	675,927	-
Other receivables	3	8,431,248	8,360,003
<b>Total current assets</b>		<b>36,948,338</b>	<b>60,032,982</b>
<b><u>Non-current assets:</u></b>			
Investment in subsidiaries		-	-
Goodwill		28,341	28,341
<b>Total non-current assets</b>		<b>28,341</b>	<b>28,341</b>
<b>Total assets</b>		<b>36,976,679</b>	<b>60,061,323</b>
<b><u>LIABILITIES AND EQUITY</u></b>			
<b><u>Current liabilities:</u></b>			
Trade payables	4	1,149,566	3,245,354
Other payables	5	30,223,984	51,057,313
Income tax payable		490,175	493,120
<b>Total current liabilities</b>		<b>31,863,725</b>	<b>54,795,787</b>
<b><u>Capital and reserves:</u></b>			
Share capital		2,500	2,500
Reserve		656	656
Translation reserve		(843,238)	(803,320)
Retained earnings		5,953,036	6,065,700
<b>Total equity</b>		<b>5,112,954</b>	<b>5,265,536</b>
<b>Total liabilities and equity</b>		<b>36,976,679</b>	<b>60,061,323</b>

See accompanying notes to financial statements.

**ZETTAI PTE. LTD. AND ITS SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

(Amount in US\$)

Particulars	Notes	For the period 1 Apr 2024 to 27 Aug 2024	For the Year 1 Apr 2023 to 31 Mar 2024
Revenue	6	2,180,301	6,954,531
Other operating income	7	352,162	417,838
Sales and marketing expenses		(26,646)	(1,553,899)
Administrative expenses		(2,605,020)	(4,743,415)
Other expenses		(13,460)	(1,336,520)
<b>(Loss)/ profit before income tax</b>		<b>(112,664)</b>	<b>(261,465)</b>
Income tax expense		-	(502,938)
(Loss)/ profit for the year		(112,664)	(764,403)
<b>Other comprehensive loss</b>			
Items that may be reclassified subsequently to profit or loss			
Exchange differences on translation of foreign operations		(39,918)	(92,908)
<b>Total comprehensive (loss)/ income for the year</b>		<b>(152,582)</b>	<b>(857,311)</b>
<b><u>(Loss)/ profit attributable to:</u></b>			
Owners of the company		(112,664)	(764,403)
<b><u>Total comprehensive (loss)/ income attributable to:</u></b>			
Owners of the company		(152,582)	(857,311)

See accompanying notes to financial statements.

**ZETTAI PTE. LTD. AND ITS SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN EQUITY**

(Amount in US\$)

<u>Particulars</u>	<u>Share capital</u>	<u>Reserve</u>	<u>Translation reserve</u>	<u>Retained earnings</u>	<u>Total</u>
At 1 April 2024	2,500	656	(803,320)	6,065,700	5,265,536
Total comprehensive income/ (loss) for the year					
Profit for the year	-	-	-	(112,664)	(112,664)
Other comprehensive loss for the year	-	-	(39,918)	-	(39,918)
Total	-	-	(39,918)	(112,664)	(152,582)
<b>At 27 August 2024</b>	<b>2,500</b>	<b>656</b>	<b>(843,238)</b>	<b>5,953,036</b>	<b>5,112,954</b>

(Amount in US\$)

<u>Particulars</u>	<u>Share capital</u>	<u>Reserve</u>	<u>Translation reserve</u>	<u>Retained earnings</u>	<u>Total</u>
At 1 April 2023	2,500	656	(710,412)	6,830,103	6,122,847
Total comprehensive income/ (loss) for the year					
Profit for the year	-	-	-	(764,403)	(764,403)
Other comprehensive loss for the year	-	-	(92,908)	-	(92,908)
Total	-	-	(92,908)	(764,403)	(857,311)
<b>At 31 March 2024</b>	<b>2,500</b>	<b>656</b>	<b>(803,320)</b>	<b>6,065,700</b>	<b>5,265,536</b>

ZETTAI PTE. LTD. AND ITS SUBSIDIARIES  
NOTES TO FINANCIAL STATEMENTS

(Amount in US\$)

Particulars	<u>Balance as at August 27, 2024</u>	<u>Balance as at March 31, 2024</u>
1. CASH AND CASH EQUIVALENTS		
Balance with bank#	27,841,163	51,672,979
<b>Total</b>	<b>27,841,163</b>	<b>51,672,979</b>
# The majority of bank balance represents user deposits in fiat currency		
2. TRADE RECEIVABLES		
Accrued receivables	675,927	-
<b>Total</b>	<b>675,927</b>	<b>-</b>
3. OTHER RECEIVABLES		
Deposits	525,204	254,992
Prepayments	37,495	65,309
Related parties	87,500	87,500
Funds with Statutory Authorities	6,362,242	6,348,510
Other receivables	1,418,807	1,603,692
<b>Total</b>	<b>8,431,248</b>	<b>8,360,003</b>
4. TRADE PAYABLES		
Third parties	1,149,566	3,245,354
<b>Total</b>	<b>1,149,566</b>	<b>3,245,354</b>
5. OTHER PAYABLES		
Accruals	164,285	179,973
Advance payment from customers	3,050,350	1,250,350
TDS Payable	-	4,146,068
GST Payable	1,025,373	767,696
Others*	25,983,976	44,713,226
<b>Total</b>	<b>30,223,984</b>	<b>51,057,313</b>
* Majorly represents User liability		

ZETTAI PTE. LTD. AND ITS SUBSIDIARIES  
 NOTES TO FINANCIAL STATEMENTS

(Amount in US\$)

Particulars	For the period 1 Apr 2024 to 27 Aug 2024	For the Year 1 Apr 2023 to 31 Mar 2024
6. REVENUE		
<b>Type of goods or service</b>		
Software development service	424,231	1,581,250
Trading Fees	1,756,070	5,373,281
<b>Total</b>	<b>2,180,301</b>	<b>6,954,531</b>
7. OTHER OPERATING INCOME		
Other income	352,162	417,838
<b>Total</b>	<b>352,162</b>	<b>417,838</b>



**TAB – 2**



## Update on the First COC Meeting & Scheme Timeline Calculator

1 message

WazirX <noreply@wazirx.com>  
Reply-To: noreply@wazirx.com  
To: [Redacted]

Wed, Oct 30, 2024 at 12:25 PM



Dear WazirX Users,

We wanted to inform you that WazirX's **First Committee of Creditors (COC) meeting** was successfully held on October 15, 2024. During the meeting, we discussed some crucial topics, including an overview of the current status, the role and responsibilities of the COC, and its code of conduct. WazirX provided a background of the restructuring process and the Scheme of Arrangement, addressed questions from the COC, and obtained some valuable feedback. For your reference, please find attached the Meeting Slides and Minutes. Please note that the timeline in the attached PDF is an estimate from the First COC Meeting.

We have also developed a "**Scheme Timeline Calculator**" to enhance your understanding of the restructuring process. We encourage creditors to use this tool to gain a more detailed view of potential timeline scenarios, including the expected time needed to pass the Scheme, restart the WazirX platform, and reopen distributions to creditors.

To access the Scheme Timeline Calculator, [Click Here](#)

Additionally, we are pleased to announce that the **Second COC Meeting** was recently conducted. We will be sharing the slides and minutes from this meeting with all creditors shortly.

If you have any queries, please do not hesitate to contact us at [enquiries@wazirx.com](mailto:enquiries@wazirx.com).

Thank you for your patience and continued support.

Best,

Team WazirX

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#### 2 attachments

 **20241019 -WazirX - 1st COC Meeting Minutes - Final (1).pdf**  
127K

 **20241015 - WazirX - 1st COC Meeting Slides - Creditors.pdf**  
563K

Zettai Pte. Ltd  
(the “Company”)

**MINUTES OF 1<sup>st</sup> MEETING OF COMMITTEE OF CREDITORS (“COC”)  
HELD BY WAY OF ELECTRONIC MEANS ON 15 OCTOBER 2024 AT 04:00 PM (SGT)**

IN ATTENDANCE	Nischal Shetty (“NS”)	Zettai Pte. Ltd, Co-Founder and Director
	Rajagopal Menon	Zettai Pte. Ltd, Team
	Pratik Ahuja	Zettai Pte. Ltd, Team
	Kunal	Zettai Pte. Ltd, Team
	George Gwee (“GG”)	Kroll, Financial Advisors
	Jason Kardachi (“JK”)	Kroll, Financial Advisors
	Michael Levine	Kroll, Financial Advisors
	Sarthak Dua	Kroll, Financial Advisors
	Anu Mittal	Kroll, Financial Advisors
	NG/CC10	COC Member
	KC/CC08	COC Member
	BS/CC06	COC Member
	KG/CC03	COC Member
NOT IN ATTENDANCE	HG/CC01	COC Member
	MA/CC02	COC Member
	VP/CC04	COC Member
	SB/CC05	COC Member
	AC/CC07	COC Member
	VK/CC09	COC Member
INTRODUCTION	<p>The meeting was opened at 04:00pm.</p> <p>GG explained the role of the COC and that the purpose of this meeting was to: (i) provide a background on the responsibilities and code of conduct of the COC, (ii) provide details on the restructuring proposal and the work done till date.</p> <p>4 out of 10 COC members were in attendance at the meeting.</p> <p>GG proceeded to deliver the presentation which focused on 4 areas:</p> <ul style="list-style-type: none"> <li>(i) Background of the Company and the Scheme process;</li> <li>(ii) The Company’s assets and recovery scenarios;</li> <li>(iii) Next steps and key dates on due process by the Court; and</li> <li>(iv) Question and Answer (“Q&amp;A”).</li> </ul>	
COMPANY OVERVIEW AND	<p>GG provided a brief overview of the Company wherein WazirX (“Platform”) has ~4.3 million active users, mostly in India. Zanmai Labs incorporated in India manages the INR deposits. Crypto deposits were handled by Binance until early</p>	

<p>BACKGROUND TO THE SCHEME</p>	<p>2023, after which, the Company under protest took control of the Platform's crypto balances ensuring that WazirX's Platform users were not affected. Binance continues to own the Platform and because of the ongoing dispute it is not clear who is the owner of the Platform and the contractual counterparty for users with crypto balances on the Platform.</p> <p>GG explained that because of the cyber-attack on 18<sup>th</sup> July 2024, WazirX has to develop a solution for crypto balances before resuming crypto withdrawals. Company is addressing a 45% asset deficit due to this attack through a restructuring process under a Scheme of Arrangement in Singapore, aimed at improving user recoveries. The Singapore Court ("Court") has granted Company a four-month moratorium until January 26, 2025. The COC has been formed so that Company can better understand creditor preferences and develop a restructuring plan that address creditor concerns.</p>
<p>COC ROLE AND RESPONSIBILITIES AND CODE OF CONDUCT</p>	<p>GG presented to the COC members who are unsecured creditors of Company about there:</p> <ul style="list-style-type: none"> <li>(i) Role and Responsibilities</li> <li>(ii) Code of Conduct</li> <li>(iii) Communication</li> </ul> <p><b>Role and Responsibilities</b></p> <p>Acting as the sounding board to understand creditors' thinking and aiding in generation of acceptable restructuring terms, monitoring restructuring progress through COC meetings, and providing consultative inputs without additional voting rights. However, the Company is not obligated to integrate recommendations made by the COC into the restructuring. COC members represent all creditors' interests and not just their own and must attend meetings to stay informed and participate in discussions.</p> <p><b>Code of Conduct</b></p> <p>The code of conduct emphasizes integrity and honesty, and objectivity in discussions, prioritizing creditors' best interests. Confidentiality must be respected, and conflicts of interest disclosed promptly. Professional behavior and active participation are crucial. Non-adherence, including disruptive behavior or misuse of confidential information, may lead to removal from the COC. The goal is to ensure smooth, clear, and constructive discussions during the restructuring process.</p> <p>KC/CC08, NG/CC10, and BS/CC06 accepted the code of conduct, while KG initially accepted verbally, but subsequently mentioned in the chat that he would vote after reading the documents provided.</p> <p><b>Communication</b></p> <p>The Company will hold COC meetings, with at least 48 hours' notice period. Only COC members should attend, and meeting details must remain confidential. Minutes will be shared with redacted names of COC members for privacy reasons. These minutes shall also be circulated with the broader creditor pool. Meetings will</p>

	<p>be transcribed and COC members consented to the same as none raised any objections.</p>
FINANCIAL POSITION	<p>GG presented the financial position of the Company, which has about ~USD 302 million worth assets available after the hack as valued on 23 August 2024. Out of which, ~USD 284 million comprise liquid assets, with the remaining ~USD 17.7 million being illiquid assets that are to be pursued with legal action or other recovery efforts.</p> <p>Out of the liquid assets, ~USD12 million is set aside to fund the restructuring process. Other exclusions from the liquid assets are: (i) past profits from the WazirX business as these are presently under dispute; (ii) ringfenced tokens; (iii) tokens held under trust ~ USD 28 million worth of tokens held by various law enforcement agencies.</p> <p>GG drew a comparison between ~USD 546.5 million claims (crypto deposits by users) associated with crypto deposits and ~USD 302 million assets, highlighting insufficiency of assets to repay all claims. The claims exclude tokens held under trust arrangements and trade payables, as the plan is to continue operating the Platform following restructuring.</p>
IMPROVING RECOVERIES AND RESTRCUTURING PROCESS	<p>GG briefly highlighted the key pillars of the proposed restructuring process. Broadly, the restructuring process will focus on the following to improve creditor recovery:</p> <ol style="list-style-type: none"> <li>i. Liquid assets will be distributed to creditors in tokens of their choice after rebalancing;</li> <li>ii. Pursue recovery of illiquid assets;</li> <li>iii. Working with white knights to improve recovery;</li> <li>iv. Restarting the existing Platform's crypto exchange business and utilizing the potential profits;</li> <li>v. New revenue-generating business plans, the details for which shall be shared in the coming weeks;</li> <li>vi. Assessing the creation of a secondary debt market to provide creditors with early liquidation, if needed.</li> </ol> <p>A significant volume of work is being undertaken in respect of the restructuring efforts, highlighting the importance of rebalancing, where creditors will be able to choose the token denomination, they want to receive distribution in. Once the choices of all creditors are put together, the liquid assets will be rebalanced.</p> <p>For creditors to better understand the rebalancing an asset allocator simulator will be made available where creditors could login and simply understand the rebalancing process with respect to their set of balances and claims. The simulator was expected to be launched the following week.</p> <p>The assets will be valued at the latest prices, exposing the creditors to the benefits of the upside and the potential to recover more than 100% in fiat recovery. The liabilities, however, will be crystallized as of 18<sup>th</sup> July 2024.</p>
SCHEME OF ARRANGEMENT PROCESS AND RESTRUCTURING TIMELINE	<p>GG broadly explained the scheme of arrangement process. Currently, the Court has granted a four-month moratorium to develop the restructuring proposal. After this period, an application will be made to the Court to convene a creditor meeting, where the scheme will be put to a vote. Once approved by the creditors, the scheme will be submitted to the Court for sanctioning, subject to Court timelines. Following the Court's approval, the implementation of the scheme will commence.</p>

	<p>The key dates beginning with September 26, 2024, when the Court granted a 4-month moratorium, marking the beginning of the restructuring process for the Company.</p> <ul style="list-style-type: none"> <li>(i) Currently, the development of the restructuring plan, creditor outreach through COC, is ongoing and expected to continue until mid-November 2024.</li> <li>(ii) An application to the Court for permission to convene a Scheme meeting by end of November 2024, the hearing for which is subject to Court schedule, but is expected to receive in late December 2024 or early January 2025.</li> <li>(iii) Post receiving Court's approval to hold Scheme meeting, the process of proof of debt adjudication starts, which will take three weeks and will allow creditors to view their claims in restructuring and dispute it. If a claim is disputed, it would go to an independent assessor appointed for review to offer fairness to the creditors.</li> <li>(iv) Early February 2025, when a scheme meeting will be held, where the proposed restructuring would be presented to the creditors in a comprehensive way.</li> <li>(v) Subsequently, the voting period will begin, which will take about two weeks, one week for creditors to vote electronically on the scheme and another week for the voting results to be verified by an independent assessor.</li> <li>(vi) Once the scheme is approved by the creditors, it will move forward for Court sanction. The approval for the same is expected by early March 2025, post which, the redistribution would reopen to the creditors on the restructuring date.</li> </ul>
<p>Q&amp;A AND DISCUSSION</p>	<p>COC members were invited to raise questions:</p> <p>NG/ CC10: It may be challenging to take the responsibility to represent ~4.3 million creditors.</p> <p>JK: The COC members are representatives of all creditors as a result of the selection process which was designed to ensure this and do not represent all creditors. While the Company will engage with the COC for discussions, COC discussions will not replace broader creditor outreach, and the Company will continue to engage with all creditors through town halls and polls.</p> <p>NG/CC10: The questions and comments received from all the creditors will be voluminous, and this is not the COC's day job.</p> <p>GG: Proposed for a shared email inbox for the COC where all creditors can send feedback to the COC. The emails may be reviewed by the Company to streamline creditors' feedback for the COC. Only key substantive comments and questions may be presented to the COC.</p> <p>NG/CC10: Accepted that this is a more efficient way to allow correspondence with the broader base of creditors.</p>

NG/CC10: Based on the given timelines, the four-month moratorium sanctioned by the Court will lapse before the expected 6 – 8 month process ends.

GG: That's correct. A concurrent and parallel process for applying for an extension of the existing moratorium will be initiated thirty days prior to its expiry, as the Company needs to be covered by a moratorium for the entirety of the restructuring process.

NG/CC10: The additional one month in the window of 26th September 2024 to mid-November is not understood because the creditor outreach and COC formation have already been done.

GG: Feedback on the existing restructuring plan and ways to improve it through continuous creditor outreach is to be taken. The scheme documentation will be filed in the Court at the end of November, and until early January, the creditors will be given the opportunity by the Court to read the scheme documents, which is a time-consuming process. During this period, creditor interaction and outreach would be continued through town halls and COC meetings to better socialize and explain the key terms of the scheme to creditors and ensure they are equipped to make an informed decision during Scheme voting.

NG/CC10: By the end of November, the scheme concept will be ready and released. There will be a one-and-a-half-month period for questions, objections, and fine-tuning.

GG: Yes, amendments can be made after further discussions with creditors, focusing on key points of importance to creditors.

NG/CC10: If the process can be expedited, it can be expected to be faster from the creditor side as well. If the two months can be reduced, the process might close in four months.

JK: We are aligned on the importance of speed, and these timelines are already accelerated. Closing within four months is almost impossible due to Court timelines including Court's schedule and holiday particularly in December 2024. Discussions with white knights, which will take more time to progress and finalize, will run in parallel to accelerate the process and prevent the white knight discussions from holding up the broader restructuring.

KC/CC08: Can an application be made to the Court to allocate some portion of the creditor's assets for medical emergencies?

JK: A similar request has been made in other situations and has not been possible because this requires creditors' approval. Opening a medical emergency fund would be difficult and costly to ensure fairness.



BS/CC06: Can a question bank be created for creditors that addresses personal and restructuring process related questions?

JK: A question-and-answer bank has already been generated from interactions with creditors so far. The purpose is to understand the feedback received from the larger pool of creditors. Apart from the standard questions for which the Company shall provide the answer bank, the other questions would be at the prerogative of the COC to apply their judgement.

NS: The Company is continuously addressing queries raised on the Platform through FAQs on the Platform and creating educational videos on the restructuring process.

KC/CC08: Can we keep the exchange operational and restrict withdrawals?

NS: No, rebalancing first needs to take place, which can be done only after the scheme is put to vote.

NG/CC10: What is the progress on white knights?

GG: The broad commercial terms being discussed with them. Details are under Non-Disclosure Agreement; discussions will continue to be kept internal.

NG/CC10: Will the COC be privy to the work in progress?

JK: The COC will be privy of the work in progress as well as the other key terms of the restructuring process.

NG/CC10: What extent of the 45% recovery is attainable and to what percentage will the 55% of claims come down to?

JK: Retrieving the 45% is in the hands of the investors and efforts on mode of recovery would form part of the Scheme documents.

BS/CC06: What about the missing COC members?

JK: The reasons for their absence and their future intentions must be understood. If they do not intend to participate, replacements will be necessary.

KG/CC03: Raised concerns about the current 10-member committee's lack of technical expertise in the restructuring process and suggested including an advisor to aid in making informed decisions or adding a technically qualified member to the COC.

JK: Agreed to be a valid request but emphasized that Kroll and the Company are there to provide guidance on restructuring and crypto assets. Further noted that

	<p>COC members are selected through a set randomized process and that adding more advisors would increase costs and time, potentially complicating the process which is not in the interests of creditors.</p> <p>KC/CC08: How are COC members selected?</p> <p>NS: The Company and its advisors developed a selection methodology to ensure that the COC comprises of Creditors with varying levels of claims, to provide fair representation of Creditor views.</p> <p>KC/CC08: How can COC contribute with the restructuring?</p> <p>JK: Gather thoughts and questions from other creditors and share their collective feedback in the forum.</p>
<p>SUGGESTIONS / CONCLUSION</p>	<p>The following conclusions were drawn from the 1<sup>st</sup> COC meeting:</p> <ul style="list-style-type: none"> <li>(i) Schedule COC meetings in the evening according to Indian Standard Time (IST);</li> <li>(ii) Circulation of meeting Agenda before the meeting;</li> <li>(iii) Creation of a shared inbox with the COC members and the broad creditor base as an avenue of communication;</li> <li>(iv) The Company will streamline the queries raised by creditors and share only the key substantive comments with the COC members;</li> <li>(v) Share a question bank with the creditors to answer FAQs with the restructuring process;</li> <li>(vi) Follow up with the non-attending members of the COC, and steps to replace them if they do not intend to participate actively;</li> <li>(vii) Create a WhatsApp group for COC members to correspond with each other.</li> </ul>

**KROLL**

**WazirX**

## **First Committee of Creditors Meeting**

**4:00pm Singapore time / 1.30pm India Standard Time**

**Tuesday, 15 October 2024**

# Table of Contents

1. Committee of Creditors
2. Background
3. Restructuring Proposal
4. Scheme of Arrangement Process
5. Key Dates
6. Q&A and Discussion

# Committee of Creditors

# COC – Roles and Responsibilities

## What is the role of COC members?

The CoC comprises 10 members, each of whom is a Creditor that accepts that their participation in the COC is founded on their status as contingent unsecured creditors of the Company in the restructuring, and with the following key responsibilities and duties.

- 1 **Providing feedback on Creditor Preferences and Priorities** - The CoC acts as a sounding board for the Company and its advisors to better understand Creditor thinking and aid the generation of restructuring terms acceptable to Creditors generally.
- 2 **Monitoring Progress** - The CoC will receive regular updates from the Company and its advisors on the progress of the restructuring and are welcome to discuss said progress on COC meetings with them.
- 3 **Consultative Role** - The COC's role is purely consultative, and the COC has the same Scheme voting rights as other Creditors. The Company and its advisors will consider recommendations made by the COC but are not obligated to integrate them into the restructuring.
- 4 **Representing Creditors' Interests** - The COC aims to be representative of all the broader Creditor base in selection criteria, and COC members represent the interests of all Creditors (not just their own).
- 5 **Obligation to attend COC Meetings** - A key method of communication between the Company and the COC will be in the form of COC meetings, held via video conference at a time convenient to majority of the COC. Members will need to attend COC meetings to be able to discharge their responsibility as a COC member.

# COC – Code of Conduct

All COC members are expected to adhere to the following code of conduct

## INTEGRITY AND HONESTY

To maintain integrity and not misrepresent facts or situations to the Company and its advisors, or to the broader Creditor base

## OBJECTIVITY

To make decisions objectively, without bias, and in the best interest of all Creditors

## CONFIDENTIALITY

To not disclose information specifically designated as confidential to unauthorized parties, or to the broader Creditor base

# CODE OF CONDUCT

## CONFLICT OF INTEREST

To disclose any potential conflicts of interest, and refrain from indulging in actions that could be seen as self-serving

## COOPERATION

To cooperate with the Company, its advisors, and other stakeholders to ensure smooth proceedings

## PROFESSIONAL BEHAVIOUR

To treat stakeholders with consideration and courtesy, and interact in a clear, respectful & professional manner

## PROFESSIONAL COMPETENCE

To participate and contribute actively and meaningfully in meetings and discussions

Failure to adhere to the Code of Conduct **may result in removal from the COC**. In addition, the following will not be tolerated:



Vulgar or Abusive language



Intentionally disruptive behaviour



Misuse of privileged or confidential information made available specifically to CoC only



Spreading misleading information, misinformation or false information

# Communications

## Communication Process Between the Company and the COC

COC members represent the general body of Creditors in their discussions with the Company and its advisors and will play a crucial consultative role in the restructuring of the crypto balances of the WazirX platform

- **Communication with Creditors**

- A key method of communication between the Company and the COC will be in the form of COC meetings, which will be held via video conference at a time convenient to the majority of the COC
- COC meetings will be accessible to the Company, its advisors and COC members only and the dial in details should not be shared with any other party.

- **Notice to CoC Members**

- CoC members will be provided at least 48 hours of notice for all proposed COC meetings

- **Circulation of Minutes**

- CoC members will be shared minutes of the meeting , with any necessary redactions for confidentiality and data privacy reasons



# Background

# General Background

## Key players and the ongoing dispute with Binance

- **Background**

- WazirX (“Platform”) is a cryptocurrency exchange with ~4.3 million active customers based largely in India. Operations of the Platform are carried out by different entities:
  - Indian Rupee (“INR”) deposits and associated activities are operated by India-incorporated Zanmai Labs Pvt Ltd (“Zanmai”); and
  - crypto deposits and associated activities:
    - were operated by Binance until Jan – Feb 23 when Binance announced its intention to cease providing services to WazirX;
    - under protest, Singapore-incorporated Zettai Pte Ltd (“Zettai”) took control of the Platform’s crypto tokens from Binance to ensure that WazirX users were not affected; and
    - while Zettai presently handles crypto assets of the Platform under protest, Zettai’s position is that Binance had no basis for the termination and Binance continues to operate the Platform – Zettai did not assume the operation of crypto deposits and associated activities.

- **Ownership dispute with Binance**

- There is an ongoing dispute between Zettai and Binance on who owns the Platform and is subject to strict confidentiality.
- Because it is not clear who owns the Platform, it is also not clear who the contractual counterparty is for users with crypto balances on the Platform

# Restructuring-Specific Background

## Scheme of Arrangement, Moratorium and Committee of Creditors

- A cyberattack occurred on 18 Jul 24 and WazirX is developing a solution for crypto balances before resuming crypto withdrawals.
- Zettai is undergoing a restructuring process to address a 45% asset deficit relative to liabilities arising from a cyberattack on 18 July 2024 under a Scheme of Arrangement in Singapore that allows WazirX to work towards improving recoveries to users.
- A restructuring is the fastest, fairest, creditor-approved, and legally binding resolution to crypto balances.
- Zettai has been granted a 4 month moratorium up to 26 January 2025 by the Singapore Court for time and space to develop a restructuring.
- The COC has been formed so Zettai can better understand creditor preferences and craft a restructuring plan that will address creditor concerns.

# Restructuring Proposal

# Executive Summary

## Restructuring: The fastest, creditor-approved and legally binding resolution to crypto balances

- Zettai is undergoing a restructuring process to address a 45% asset deficit relative to liabilities arising from a cyberattack on 18 July 2024. A restructuring is the fastest, fairest, creditor-approved, and legally binding resolution to crypto balances.
- Zettai has Assets of USD301.7m comprising USD 284m in Liquid Assets and USD 17.7m in Illiquid Assets (token and fiat assets not currently under Zettai's control). These Assets exclude USD12m of tokens set aside to fund the restructuring, past profits of the WazirX platform (which are under dispute), ringfenced tokens set aside to address further possible proprietary claims associated with legal proceedings involving Zanmai, and any tokens held under trust arrangement (which are not subject to the proposed restructuring).
- Zettai has Claims associated with user crypto deposits of USD546.5m. There are insufficient Assets to repay all Claims. Claims exclude tokens held under trust arrangements and trade payables both of which are not subject to the proposed restructuring.
- The restructuring aims to equitably distribute Assets to Creditors, recover stolen tokens, and share profits with Creditors:
  - Liquid Assets will be distributed to Creditors in tokens of their choice;
  - Illiquid Assets and tokens stolen in the cyberattack will be pursued so that they can be distributed to Creditors if recovered;
  - white knights are being approached for collaboration opportunities to share potential profits with Creditors;
  - the WazirX business is being assessed for a restart so potential profits can be shared with Creditors; and
  - the creation of a secondary debt market is being assessed to provide Creditors who need it with early liquidity.
- The restructuring will involve rebalancing Assets, giving creditors choices about what tokens to receive distributions in, and implementing recovery, revenue and profit-sharing mechanisms.
- Creditors will receive equitable distributions in tokens of their choice worth 55% of their Claim value in USD terms – in a bull run, Creditors get all the upside and may potentially get more than 100% USD recovery. Zettai will not retain any of the upside.

# Restructuring Proposal

## Assets, Liabilities and Cost Fund

### Assets

- Assets will be valued using the latest market prices from third-party sources like Coinmarketcap.
- The Assets are valued at USD301.7m as at 23 Aug 24 comprising of Liquid Assets (USD284m under Zettai's control), and Illiquid Assets (USD17.7m not under Zettai's control) that will require realization efforts

#### Included

-  Remaining token balances associated with Claims
-  Stolen tokens recovered via tracing efforts
-  Shared profits from reopening the exchange
-  Tokens generated from white knight collaborations

#### Excluded

-  Tokens held on trust
-  Ringfenced tokens
-  Profits which are subject to dispute
-  Cost fund

### Cost Funds

USD12m of tokens to carry out an efficient restructuring (subject to assessment)

#### Legal

- Ongoing legal proceedings

#### Operations

- Maintain Platform infrastructure and staffing

#### Realisation

- Blockchain tracing analysis; Forensic report; Recovering stolen tokens; and Realizing contingent Illiquid Assets.

#### Scheme

- Creditor outreach; Restructuring plan development; working with white knights to deliver improved recoveries; Proof of Debt adjudication; voting on the Scheme; appointment of 3<sup>rd</sup> party independent assessor to verify disputes and voting results

### Liabilities

- Liabilities arise from user crypto balances from both Individual and Corporate platform users ("Claims"), who are contingent unsecured creditors of Zettai according to the T&Cs and are subject to a restructuring under a Scheme.

#### Claims

##### Excluded

Trust Creditors (USD28m to LEAs)

##### Included

Individuals and Corporate users (USD546.5 m)

- Creditor's Claims are denominated in USD at 18 July 2024 and are not denominated in tokens.

# Improving Recoveries and Restructuring Process

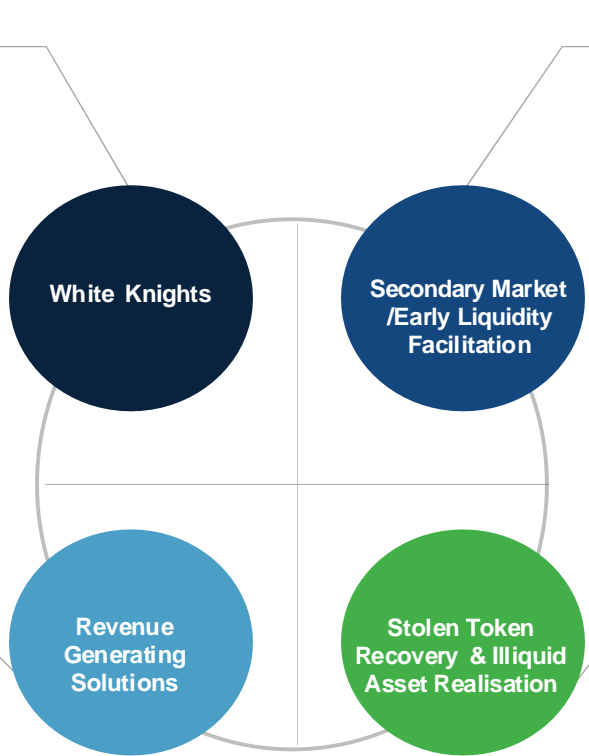
## Improving recoveries and liquidity beyond the tokens that Zettai has on hand and token Distribution

### Rescue financing to improve recoveries

- Direct provision of funds
- Enabling trading, withdrawals and / or deposits
- Revenue generating solutions to share profits with creditors
- Creation of a creditor rescue fund for urgent financial assistance.

### Reactivate crypto exchange

- Reactivate the existing crypto exchange & P2P business.
- New revenue generating solutions include decentralized exchange and a self-custodial wallet infrastructure



### Liquidity before Scheme

- Pursue partnerships and collaboration with reputable funds to purchase claims from Creditors, which leads to reduction in costs of settling a claim.
- An efficient secondary claims sale process allows savings to be passed on to Creditors

### Generate blockchain Forensic report

- Formulate a recovery plan which includes to freeze and return, or burn stolen tokens and re-mint them in Zettai's favor
- Pursuing legal proceedings against responsible parties involved in cyber attack
- Cooperate with law enforcement agencies

### Token Distributions

**Distribution Token Denomination**

Creditors can choose the token denominations they want to receive distributions in (the "Distribution Token Denomination") allowing them to choose whatever market exposure they want.

**Rebalancing of Liquid Assets**

The Liquid Assets will be rebalanced to ensure Zettai has the correct balances to make distributions to Creditors, locking in specific token recoveries for each token.

**Distributions**

Distributions to creditors will be made in tokens (not fiat) as a percentage of Liquid Assets up to their pro-rata share of claims. Creditors (and not Zettai) will get full upside from a bull run.

**Subsequent Rebalancing**

Subsequent rebalancing to be carried out on any realized Illiquid Assets, any recovered stolen tokens, and any tokens generated from profit-sharing (subject to the ownership dispute), all of which will be distributed to Creditors.

**Subsequent Distributions**

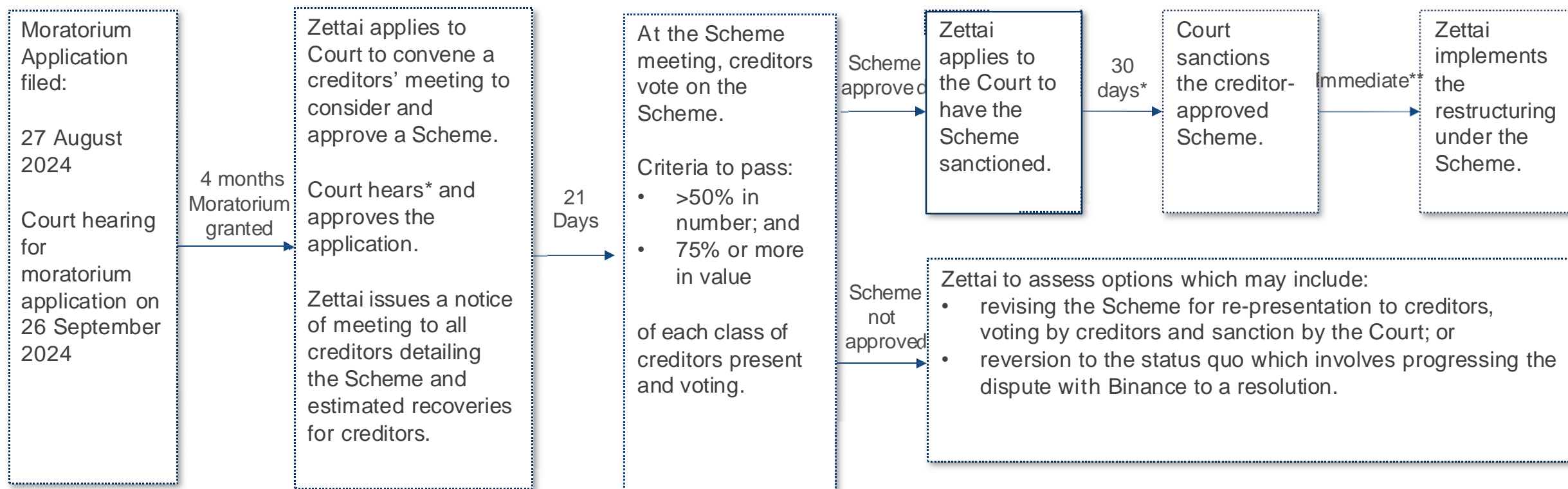
Subsequent distributions to be made in line with the approach detailed above.

# Scheme of Arrangement Process



# Scheme of Arrangement Process

## Scheme Process (Indicative Estimates)



### DEVELOPMENT OF RESTRUCTURING PROPOSAL

Within moratorium granted by Court (extendable upon further application)

\* Subject to Court schedule  
\*\* Upon the filing of the Order of Court with ACRA

# Key Dates

# Key Dates – Latest Estimate

Date	Description	Status
18 Jul 24	Withdrawal Freeze	Complete
21 Jul 24	Trading Freeze	Complete
27 Aug 24	Commencement of INR Distribution	Complete
27 Aug 24	Moratorium Application (automatic 30-day moratorium)	Complete
25 Sep 24	Court hearing for the moratorium application	Complete
26 Sep 24	Grant of a 4-month moratorium by the Court	Complete
26 Sep – Mid Nov 24*	Development of restructuring and Creditor outreach	Ongoing
Early Nov 24	WazirX Creditor Outreach Townhall	Pending
Mid Nov 24*	Application to Court for leave to convene Scheme meeting	Pending
Late Nov 24	WazirX Creditor Outreach Townhall	Pending
Late Dec 24**	Court hearing for the Scheme meeting application	Pending
Late Dec 24	WazirX Creditor Outreach Townhall	Pending
Early Jan 25**	Proof of debt adjudication for creditors	Pending
Late Jan 25**	Scheme Meeting	Pending
Late Jan 25**	Creditor voting on the Scheme	Pending
End Jan 25**	Scheme approved by Creditors rebalancing conducted	Pending
Mid Feb 25**	Court sanction of a Creditor-approved Scheme	Pending
Late Feb 25**	Restructuring Effective Date, distributions reopen	Pending

**Note:** This is for understanding purposes only. Use the [Scheme Timeline Calculator](#) to explore various timeline scenarios and understand the estimated time required to successfully pass a Scheme, restart the WazirX platform, and reopen distributions to creditors.

\* Subject to progress of restructuring \*\* Subject to Court Schedule

# Q&A and Discussion

- Key Discussion Point: How does the COC want to communicate with Creditors?

**TAB – 3**



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## Invitation to the Fourth Townhall on 6th November

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WazirX <noreply@wazirx.com>

Mon, 4 Nov at 18:20

Reply to: <noreply@wazirx.com>

To: <[REDACTED]>



Dear WazirX Users,

We invite all creditors to the Fourth Townhall, where we will introduce the new Rebalancing Calculator and discuss the interactive Scheme Timeline Calculator. We will also discuss other **value drivers** that are being explored as part of the restructuring efforts. Creditors can dial in to have their questions answered live.

The Fourth Townhall is scheduled for **5:30 – 6:30 PM IST / 8 PM – 9 PM SGT** on **November 06, 2024 (Wednesday)**.

- **Watch the Fourth Townhall Live:** Tune in to our YouTube channel to catch the live stream of the Fourth Townhall [here](#).

- **Participate in Live Q&A:** Creditors who want to have their questions answered live may dial in via the following link [here](#)

To manage what is expected to be a significant volume of creditors intending to participate in the live Q&A, creditors will be held in the Zoom waiting room until it is their turn, at which point

they will be let into the Zoom meeting to pose their questions. Each creditor will be given approximately 2 minutes to ask their questions and have them answered by the Zettai team and its advisors. Creditors will be removed from the Zoom meeting once their questions have been addressed to make way for the next creditor in the waiting room.

We appreciate your cooperation as we manage high participation volumes. If you can't ask questions live, don't worry. We'll hold future Townhalls to address creditor questions and update

the FAQs on the WazirX website with common queries. Remember, you can always submit questions via the WazirX platform's customer service chat.

**NOTE:** An identity verification process will be conducted by the Zettai team in the waiting room to ensure that the time available is best used to answer questions posed by creditors of Zettai – we ask that you have your registered email address ready for this purpose.

We look forward to your participation and input!

If you have any queries, please do not hesitate to contact us at [enquiries@wazirx.com](mailto:enquiries@wazirx.com)

Best,

Team WazirX

**Important:** Please do not share your OTP, password or sensitive information with anyone.

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