

May 10, 2021

4th Circular to Creditors

Dear Sirs,

Torque Group Holdings Limited (In Liquidation) (“Torque”) BVI Company Registration Number: 2024611

I refer to the Circular dated 31 March 2021 (“3rd Circular”), in which the Liquidators provided creditors an update on progress since their appointment and findings from their preliminary investigations.

Unless otherwise defined herein, capitalised terms used in this circular shall have the same meanings as those defined in the 3rd Circular.

The purpose of this circular (“4th Circular”) is to provide creditors with an update on the Liquidators’ progress since the 3rd Circular.

A. Preliminary Report to Creditors

Pursuant to section 226 of the BVI Insolvency Act, 2003, the Liquidators of Torque are required to prepare a preliminary report to creditors (“Liquidators’ Report”). A copy of the Liquidators’ Report dated 7 May 2021 is enclosed.

The Liquidators emphasise paragraph 47 of the Liquidators Report – the Liquidators intend to shortly apply to the BVI Court for directions confirming that:

1. The Liquidators’ assessment of the ownership and legal entitlements is correct and appropriate in respect of cryptocurrency assets transferred by Users in relation to:
 - 1.1. Trading Wallets – these cryptocurrency assets are assets of Torque’s estate, in liquidation, with Users having corresponding creditor claims against Torque for the cryptocurrency assets that they were otherwise entitled to withdraw from their respective Trading Wallet accounts with Torque; and

- 1.2. Personal Wallets – these cryptocurrency assets are not assets of the Liquidation estate on the basis that legal and beneficial ownership was never transferred from Users to Torque;
2. The Liquidators are entitled to convert/realise Torque’s Trading Wallet Crypto Assets into US Dollars in order to preserve and protect Torque’s assets and in light of the fact that the cryptocurrencies are highly volatile and speculative in nature; and
3. The Liquidators are entitled to reactivate Torque’s Personal Wallet functionality to allow Users to withdraw these assets (which they have maintained legal and beneficial title for). It is unclear to the Liquidators what (if any) Crypto Assets continue to be held by Users in Personal Wallets, but the Liquidators would like to reinstate this function as a precaution.

If any creditors do not agree with the Liquidators’ assessment as set out above, they are encouraged to seek legal advice in relation to the Liquidators’ application.

B. Creditor Virtual Town Hall

Pursuant to section 183 of the Act, Liquidators appointed by the Court are not required to call a meeting of creditors unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

Although a formal meeting is not proposed at this time, the Liquidators hereby convene a Creditor Virtual Town Hall at **5:00 p.m. Singapore time, on 27 May 2021**. A web link to the Virtual Town Hall will be circulated to all known creditors shortly.

The objective of the Creditor Virtual Town Hall is to provide an update on the liquidation, present preliminary investigation findings to the extent that they are not commercially sensitive and to outline next steps.

C. Request for Nominations for Ad Hoc Creditor Committee

The Liquidators hereby request creditor nominations to participate in an informal ad hoc creditor committee (“Ad Hoc Creditor Committee”) for the Torque Liquidation.

The Ad Hoc Creditor Committee will not have any formal powers, however, will function as a consultative body whereby members will be provided updates on the Liquidators’ investigations, be consulted with, and their views sought in respect of legal recovery strategies. Membership on the Ad Hoc Creditor Committee will be an unpaid role and will require creditors to sign non-disclosure agreements.

If you are a creditor of Torque and wish to nominate yourself as a representative of the Ad Hoc Creditor Committee, please submit your nomination (“Nomination”) by email to the Liquidators at torque@borrelliwalsh.com by no later than **5:00 p.m. Singapore time, on 20 May 2021**.

For a creditor Nomination to be considered, it must meet the following criteria (“Nomination Criteria”):

Subject Line of Nomination Email

1. Marked - “Torque Liquidation – Nomination for Ad Hoc Creditor Committee”

Body of Nomination Email

2. Full KYC information including (a) first name, (b) last name, (c) date of birth and (d) nationality;
3. Claim value as at the Liquidation Date (18 March 2021) or as close a date as practicable in original cryptocurrency **and** US Dollar equivalent;
4. Details of your credentials, experience, skill or profession and an explanation as to why this will add value to the Ad Hoc Creditors Committee; and
5. Full details in respect of any other creditors you represent including full KYC information (set out at 2 above).

Whilst the Liquidators will endeavour to select members of the Ad Hoc Committee that are representative of the mix of the full creditor body, they will only likely appoint 5 to 10 members in total.

Whilst the Liquidators will be guided by the Nomination Criteria, the Liquidators reserve their rights to accept or reject any creditor Nomination to participate in the Ad Hoc Creditor Committee at their complete discretion. The Liquidators intend to notify the creditors selected to be members of the Ad Hoc Creditors Committee at the Virtual Town Hall.

For any urgent customer, creditor and media enquiries, please contact the Liquidators at: torque@borrelliwalsh.com.

Sincerely,



Jason Kardachi
Joint Liquidator
Torque Group Holdings Limited
(In Liquidation)

STRICTLY PRIVATE AND CONFIDENTIAL

IN THE MATTER OF THE INSOLVENCY ACT 2003

AND

THE INSOLVENCY RULES 2005

OF

THE VIRGIN ISLANDS

AND

IN THE MATTER OF THE LIQUIDATION OF

TORQUE GROUP HOLDINGS LIMITED (IN LIQUIDATION)

(BVI COMPANY NO. 2024611)

LIQUIDATORS' PRELIMINARY REPORT TO CREDITORS

PURSUANT TO SECTION 226 OF THE ACT

DATED 7 MAY 2021

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Annexures

1. Notice of Appointment of Provisional Liquidators and Liquidators dated 2 March 2021 and 18 March 2021
2. Liquidators' three circulars to creditors issued on 3 March 2021, 15 March 2021, and 31 March 2021 ("**Creditor Circulars**")
3. Letters to the British Virgin Islands ("**BVI**") Registry of Corporate Affairs dated 8 March 2021 and 31 March 2021
4. Advertisements of the Notice of Appointment of Liquidators in the Business Times in Singapore on 29 March 2021, The BVI Beacon in the BVI on 1 April 2021 and Virgin Islands Gazette in the BVI on 8 April 2021
5. Police Reports of Mr. Bernard Ong
6. Draft Letter to Creditors - to be issued to Creditors (accompanying this Preliminary Report) immediately after the Preliminary Report

A. Appointment of Provisional Liquidators and Liquidators

1. On 2 March 2021, Philip Smith of Borrelli Walsh (BVI) Limited, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, VG1110, BVI and Jason Kardachi of Borrelli Walsh Limited, #10-62, 1 Raffles Place Tower 2, Singapore 048616 were appointed as Joint Provisional Liquidators (together, the “**Provisional Liquidators**”) of Torque Group Holdings Limited (the “**Company**” or “**Torque**”) pursuant to an order of the Eastern Caribbean Supreme Court of the BVI dated 2 March 2021.
2. On 18 March 2021 (“**Liquidation Date**”), the Joint Provisional Liquidators were appointed as Joint Liquidators (together, the “**Liquidators**”) of Torque pursuant to an order of the Eastern Caribbean Supreme Court of the BVI dated 18 March 2021 (“**Order**”). A copy of the Notice of Appointment of Liquidators (“**Notice of Appointment**”) is enclosed at **Annexure 1**.

B. Duty to Report

3. This preliminary report has been prepared by the Liquidators pursuant to section 226 of the BVI Insolvency Act 2003 (“**Act**”), which requires that the Liquidators provide a preliminary report to creditors within 60 days of their appointment.

Restrictions and Qualifications of the Report

4. This report:
- 4.1. is strictly private and confidential;
 - 4.2. shall not be reproduced, distributed, or disclosed, in whole or in part, without the prior written consent of the Liquidators; and
 - 4.3. is prepared by the Liquidators for the purpose of providing a preliminary update on the work performed since their appointment and their investigation findings to date.
5. All amounts referred to are stated in United States Dollars, unless otherwise noted.
6. This report should be read in conjunction with the Liquidators’ three circulars issued to creditors of Torque on 3 March 2021, 15 March 2021, and 31 March 2021 which are enclosed at **Annexure 2 (“Creditor Circulars”)**.
7. In performing their work, the Liquidators have relied upon the integrity and accuracy of the information and documents supplied. The Liquidators and their staff have, where possible, attempted to corroborate the information from additional sources. They have not, however, independently verified all the information and documentation upon which they relied for the preparation of this report. The Liquidators’ work does not constitute an audit.
8. This report contains various estimates. These estimates are not guarantees of future performance and involve risks and uncertainties which are difficult to predict. Actual events and realisations may differ materially from what are estimated due to a variety of factors.
9. The Liquidators report solely on the information available to them at the time of this report and will provide additional updates to the creditors as and when they deem appropriate or as directed by the Court or are required under the Act.

Role and Responsibilities of Liquidators

10. The duties and responsibilities of the Liquidators are set out in the Act and as provided in the Order appointing them. The powers available to the Liquidators are set out in section 186 and Schedule 2 of the Act.

11. Under section 186 of the Act, the Liquidators have all the rights and powers to the extent necessary to maintain the value of the assets and to carry out the functions for which they were appointed. Additionally, as officers of the court, the Liquidators may apply to the BVI Court at any time for directions with respect to matters arising in the liquidation.
12. Under section 178 of the Act, the Liquidators are required to advertise their appointment in accordance with the Insolvency Rules. Notice has been advertised in the Business Times in Singapore and the BVI Beacon and the BVI Gazette (**Annexure 4**).

Sources of Information

13. This report has been prepared on the bases of the information and documentation made available to the Liquidators as follows:
 - 13.1. statutory records and other corporate documents in respect of Torque as provided by the registered agent of Torque;
 - 13.2. information and documents (physical and electronic) including emails, excel spreadsheets extracted from the Company's server and system, conversations or otherwise, provided by the sole director of Torque, Torque management and representatives of Torque Technologies;
 - 13.3. information and documentation provided by third parties and advisors, including creditors, consultants, private investigators, cryptocurrency analytics / asset tracing experts, cryptocurrency exchanges such as Binance and other stakeholders;
 - 13.4. information and documentation provided by the shareholders of Torque or their connected parties; and
 - 13.5. publicly available information and documentation including information obtained from BVI company searches.

C. Background and Events Leading to Liquidation

Incorporation

14. Torque was incorporated in the BVI on 23 October 2019, with an authorised maximum of 50,000 shares, with a par value of \$1 each, totaling \$50,000.

Share Capital

15. The Company's sole shareholder as at the Liquidation Date is set out below:

Shareholder	No. of shares	Consideration paid	Percentage shares held
Bernard Hock Fong Ong	100	100	100%

Director

16. Pursuant to the Register of Directors of the Company dated 31 October 2019, Mr. Bernard Hock Fong Ong is the sole director of Torque ("**Director**").
17. On 26 February 2021, the Director filed his first affidavit in support of his originating application pursuant to paragraphs 159(1)(a), 162(1)(a) and/or (b) and 162(2)(c) of the Act to appoint joint liquidators over the Company. The Director also filed his first affidavit in support of an ordinary application to appoint the proposed liquidators as joint provisional liquidators under subsection 170(1) and paragraphs 170(2)(a) and (d) and 170(4)(a) and (b) of the Act.
18. On 2 March 2021, Philip Smith and Jason Kardachi were appointed as Provisional Liquidators of the Company pursuant to an order of the Eastern Caribbean Supreme Court of the BVI dated 2 March 2021.
19. On 12 March 2021, the Director filed his second affidavit in support of his application to irrevocably, by way of Written Resolution, appoint joint liquidators in accordance with the Court Order dated 2 March 2021.
20. On 18 March 2021, a further Order was made by the Court to appoint Philip Smith and Jason Kardachi as Liquidators of the Company.
21. The BVI Financial Service Commission ("**FSC**") approved Jason Kardachi as an overseas insolvency practitioner to act as Provisional Liquidator of the Company on 26 March 2021 and as Liquidator on 31 March 2021.

Torque Group Structure

22. Torque is a part of the “Torque Group” which also comprises:
- 22.1. Torque Management Ltd., a company incorporated in Malta and wholly owned by a Singapore citizen (“**Torque Malta**”). We understand that Torque Malta has no operations, assets, or liabilities. Torque Malta is therefore not covered in this report; and
- 21.2 Torque Technologies Company Ltd., a company incorporated in Vietnam and wholly-owned and solely directed by Nguyễn Mạnh Hiếu, an independent Vietnamese national (“**Torque Technologies**”). We understand that Torque Technologies has no assets, but provided technological and operational support to Torque. Torque Technologies has no assets or liabilities. Torque Management does not have any documentation specifying the terms on which Torque Technologies provided the technological and operational support to Torque.
23. For the avoidance of doubt, the appointment of Liquidators of Torque does not extend to Torque Management or Torque Technologies.

Operations

24. Torque served as a global online platform for crypto-to-crypto trading and provided its users (“**Users**”) with a trading platform and other crypto-related services via a website and mobile application (“**Services**”).
25. All Torque Users were required to register at <https://torquebot.net/welcome/register> to open an account with Torque. Torque accepted cryptocurrency asset deposits (“**Deposits**”) from Users in any of the following seven cryptocurrencies (i) Bitcoin (“**BTC**”); (ii) Ether (“**ETH**”); (iii) Tether (“**USD₯**”); (iv) Litecoin (“**LTC**”); (v) Bitcoin Cash (“**BCH**”); (vi) Tron (“**TRX**”); and (vii) Ripple (“**XRP**”). Torque Users could make Deposits into either their Torque Personal Wallet or Trading Wallet (explained further at paragraphs 26 and 27 below). Torque would not accept Deposits in any other cryptocurrency or fiat currency (e.g. US dollars). Torque does not hold any cash reserves. The Users’ Deposits are sent from verified, open-market cryptocurrency exchanges (“**Exchange**” or “**Exchanges**”) including, but not limited to, Binance (www.binance.com) or Coinbase.
26. Deposits into Torque Personal Wallets were hosted on Torque’s website and application (“**Torque System**”), however Users maintained exclusive control of cryptocurrency assets (“**Crypto Assets**”) held in their Personal Wallets at all material times – this was a ‘hosting’ function only.

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27. Deposits into Torque Trading Wallets were used by Torque to conduct automated trades on Binance to generate profits for its Users. Torque employed two primary trading strategies:
 - 27.1. “arbitrage”, the simultaneous purchase and sale of the same asset across different markets to profit from marginal price differentials; and
 - 27.2. “scalping”, the purchase and sale of the same asset within a short timeframe to profit from small price changes.
 28. Torque held its Trading Wallet Crypto Assets on:
 - 28.1. 37 user accounts with different cryptocurrency Exchanges. The majority of Torque’s Crypto Assets were held on the Binance Exchange, through a main trading account (“**Main Binance Account**”) and a network of over 240 linked sub-accounts, together (“**Torque Trading Accounts**”); and
 - 28.2. a Torque laptop with API keys (passwords) which hosted approximately 748,631 cold wallets (“**Cold Wallet Laptop**”).
 29. Based on Torque’s trading profits, “rewards” were distributed to Torque’s Users on a daily basis in the form of “TORQ Tokens”, a native currency of the Torque System that was pegged to Tether (1 TORQ Token = 0.05 USD₴). Users were also entitled to additional “rewards” for referring new Users to Torque, and for referrals that are in turn made by these new Users, and so on.
 30. TORQ Tokens in Users’ Personal Wallets could be converted into cryptocurrencies of the Users’ choice at any time. Similarly, Users could withdraw their Deposits together with TORQ tokens converted to cryptocurrencies to an external wallet, at any time.
 31. Torque had a decentralized and fluid labour force with its core trading, technology/data management and operations teams working out of Vietnam at the direction of Torque Technologies. Torque Technologies outsourced all its staff from a Vietnamese third party. The Liquidators have been advised there were no contracts in place formalising arrangements between Torque, Torque Technologies and the Vietnamese third party providing its outsourced employees.

Cause of Torque’s failure

32. On or around 9 February 2021, Torque’s former Chief Technology Officer (“**CTO**”), Mr Wu Zhongyi (“**Zee**”), sent the Director a series of text messages on Telegram (“**Zee Messages**”), on which he claimed to have made unauthorised leveraged trades which had resulted in significant trading losses to Torque (“**Unauthorised Trades**”). On the same day (9 February 2021), the Director made an announcement to Torque’s Users on Telegram in respect of the Unauthorised Trades.
33. As CTO of Torque, Zee was responsible for overseeing Torque’s trading team and had unrestricted and exclusive access to the Torque Trading Accounts at all material times.

34. Following receipt of the Zee Messages, Torque Management immediately commenced an investigation into the trading activities of Zee. Management's preliminary investigations revealed that, in addition to the Unauthorised Trades, Zee appeared to have also misappropriated substantial Crypto Assets ("**Misappropriated Assets**") from Torque (refer to **Section G** below for further details).
35. As a result, Torque took immediate steps to suspend all trading activities and began a comprehensive audit of trading logs and all recent transactions.
36. On 14 February 2021, the Director filed a complaint with the Singapore Police Force against Zee in respect of the Unauthorised Trades and Misappropriated Assets which is enclosed at **Annexure 5**.
37. In the circumstances, the Director determined that Torque was likely insolvent and applied to the BVI Court for the Liquidators to be appointed in order to investigate, trace, freeze and recover the Company's Misappropriated Assets. Pending that appointment, Joint Provisional Liquidators were appointed by the BVI Court to, among other things, preserve and protect Torque's assets pending their appointment as liquidators of Torque,

D. Key Activities Undertaken by the Liquidators

Statutory Duties and Obligations

38. Key activities undertaken by the Liquidators in respect of their statutory duties and obligations included:
- 38.1. filing a copy of the Orders via electronic lodgment with the BVI Registry of Corporate Affairs, pursuant to paragraph 178(1)(b) of the Act (“**Registry Letter**”). Copies of the Provisional Liquidator Registry Letter dated 8 March 2021 and Liquidator Registry Letter dated 31 March 2021 are enclosed as **Annexure 3**;
 - 38.2. pursuant to paragraph 178(1)(a) of the Act, advertising the Notice of Appointment of Liquidators in the Business Times in Singapore on 29 March 2021, the BVI Beacon on 1 April 2021 and Virgin Islands Gazette in the BVI on 8 April 2021. A copy of the Liquidators’ advertisements are enclosed as **Annexure 4**;
 - 38.3. issuing circulars to all known creditors of Torque on 3 March 2021, 15 March 2021 and 31 March 2021 (“**Circulars**”). Copies of all Circulars are enclosed as **Annexure 2**; and
 - 38.4. requesting that the director of Torque prepare a Statement of Affairs. Whilst the director of Torque has not yet submitted a SOA to the Liquidators, the submission deadline is 18 May 2021 and the Liquidators are liaising with him in this regard.

Securing Torque’s books and records

39. Key activities undertaken by the Liquidators to control and secure Torque’s books and records included:
- 39.1. notifying the registered agent of Torque in respect of the appointment of the Liquidators and requesting copies of all books and records in their possession;
 - 39.2. securing control of all physical books and records in the control of Torque’s Director and Torque Management;
 - 39.3. securing and forensically imaging a copy of all of Torque’s available electronic records in respect of Torque’s back-end customer and trading databases, emails and all other electronic materials which were all managed on cloud-based servers by Torque Technologies in Vietnam;
 - 39.4. extracting a full transactional history from Binance in respect of the Torque Trading Accounts, including all Deposits and Withdrawals (to date, we have been unable to extract data in respect of Torque’s trading profitability); and

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- 39.5. securing Torque's Cold Wallet Laptop in Ho Chi Minh, Vietnam, and arranging for its secure transfer to the Liquidators' office in Hanoi, where it was forensically imaged and uploaded for analysis as a part of the Liquidators' investigations.

Identified and Secured Torque's Assets

40. Key activities undertaken by the Liquidators to identify and secure Torque's assets included:
- 40.1. freezing all Torque user accounts on Torque System (website and application);
- 40.2. securing control of the Torque Trading Accounts on Binance by changing login credentials and two-factor identification details;
- 40.3. issuing a formal notification letter to Binance advising of the appointment of Provisional Liquidators and then, subsequently, the Liquidators, requesting that all Torque Binance Accounts be immediately frozen and various historical trading information provided;
- 40.4. reviewing information provided by Torque stakeholders (creditors, advisors and others) in respect of the location and nature of Torque's assets;
- 40.5. issuing formal notification letters to all of Torque's other 29 Crypto Asset accounts held on the Exchanges requesting both the freezing of assets and disclosure of information; and
- 40.6. undertaking property and asset searches in Singapore and the BVI to establish potential assets of Torque (other than the Crypto Assets). Management advised that Torque does not own any assets other than Crypto Assets, but the Liquidators sought to independently verify this. To date, the Liquidators have not established any other 'undisclosed' assets of the Company.

Investigations and legal claims

41. Key activities undertaken by the Liquidators to investigate the affairs of and circumstances leading to Torque's failure included:
- 41.1. interviews with Torque Management and Torque Technologies staff in respect of:
- 41.1.1. Torque's flow of funds between Users, the Torque Cold Wallet Laptop and Binance/other Exchanges; and
- 41.1.2. Torque's accounting, trading and asset transfer processes and systems, including any controls and governance procedures;

- 41.2. reviewing and seeking to reconcile the full transactional record of deposits, withdrawals and trading profits/losses extracted from:
 - 41.2.1. Binance in respect of the Torque Trading Accounts – this involves reviewing in excess of 122,000 deposit/withdrawal transactions and an estimated 4 billion trades;
 - 41.2.2. Torque System - deposits, withdrawals and trading profits (TORQ Tokens) attributable to more than 14,000 Users involves an estimated total of 260,000 transactions; and
 - 41.2.3. Torque Cold Wallet Laptop – involves approximately 748,631 unique digital wallet addresses and substantially more transactions;
 - 41.3. engaging cryptocurrency analytics and tracing experts to establish the end wallet destination of the Misappropriated Assets, which involved various meetings/calls to explain the source data and review their preliminary findings;
 - 41.4. engaging legal counsel in the BVI and Singapore to establish a legal strategy and options available to preserve, protect and locate assets and freeze, recover and seek disclosure of the Misappropriated Assets from Zee, Binance and the other Exchanges;
 - 41.5. engaging and liaising with private investigators in order to locate Zee and/or any assets he owns, including Crypto Assets and non-crypto assets (e.g. property, bank accounts etc);
 - 41.6. reviewing the overall/net position of the Director/Management in respect of Torque’s Crypto Assets, including their total contributions through Deposits, profit share received from Torque and withdrawals of Crypto Assets; and
 - 41.7. the Liquidators have filed a further comprehensive complaint against Zee with the Singapore Police Force (“SPF”) and attended interviews with the investigating officer. The Liquidators’ complaint with the SPF is confidential and cannot be shared with creditors at this stage.
42. A summary of the Liquidators’ findings from their preliminary investigations is set out at **Section G** below.

E. Assets

43. The estimated value of Crypto Assets secured by the Liquidators in Torque's Trading Wallet as at 5 May 2021 are summarised below:

Cryptocurrency	Quantity (original)	Quantity (BTC equiv.)	Estimated value (USD)	% total
Binance - Spot				
XRP	1,805,871.04	50.73	2,924,313	22%
ETH	811.40	49.79	2,870,281	22%
BTC	48.42	48.42	2,791,530	21%
USDT	1,679,456.10	29.24	1,685,657	13%
BNB	2,195.50	24.90	1,435,262	11%
Others	N/A	26.71	1,539,654	12%
Sub-total - Spot	N/A	229.79	13,246,696	100%
Binance – Margin				
ETH	4.36	0.27	15,360	58%
BTC	0.14	0.14	8,146	31%
BNB	4.49	0.05	2,925	11%
USDT	253.03	0.004	253	1%
XTZ	0.003	0.0000003	0	0.0%
Sub-total - Margin	N/A	0.46	26,684	100%
Binance – Futures				
USDT	173,403.43	3.02	173,403	68%
BTC	1.39	1.39	79,746	32%
Sub-total - Futures	N/A	4.41	253,149	100%
Sub-total - Binance	N/A	234.66	13,526,529	
Cold Wallet Laptop				
ETH	57.64	3.54	203,142	94%
BTC	0.24	0.24	13,497	6%
LTC	0.48	0.003	172	0.0%
Sub-total	N/A	3.77	216,811	100%
Total	N/A	238.43	13,743,341	
Less: Alleged Personal Trading Sub Accounts			(2,884,671)	
Total (excluding Alleged Personal Trading Sub Accounts) [Refer paragraph 47.12 below]			10,858,669	

44. The estimated value of Torque's Crypto Assets has varied substantially since the appointment of the Provisional Liquidators on 2 March 2021. For example, Ether (ETH) which represents 22% of Torque's total Crypto Asset portfolio, had a peak value of USD3,459 and floor value of USD1,456 in this 2 month period – a variance of approximately 238%. As set out above, the current value of Torque's Crypto Assets is now approximately USD13.7 million, which is a substantial increase from the

previous estimate in the Liquidators' 2nd Circular (approximately USD9.1 million as at 14 March 2021).

45. Whilst seeking to secure Torque's assets, the Liquidators have obtained BVI and Singapore legal advice to establish the legal entitlement to Torque's different categories of Crypto Assets as between creditors.
46. Set out below is a summary of Liquidators' assessment in respect of Torque's different categories of Crypto Assets based on this legal advice (without waiving the Liquidators' right of privilege in respect of the legal advice):

Trading Wallet Crypto Assets

- 46.1. The Torque Trading Wallet was a trading service offered to Torque's Users whereby Crypto Assets deposited by Users were utilised by Torque as capital to generate returns through automated, low-risk and high-frequency cryptocurrency trades, employing techniques known as "arbitrage" and "scalping";
- 46.2. The Crypto Assets deposited by more than 14,000 Users into Torque's Trading Wallet were not deposited into any segregated or user-specific wallet. Instead, they were co-mingled across various digital wallets, including those associated with the Torque Trading Accounts on Binance and the other Exchanges. At all times, Torque had exclusive control and powers to deal with the Crypto Assets in the Trading Wallet by way of the relevant private key; and
- 46.3. Liquidators' conclusion: The Trading Wallet Crypto Assets (USD8.6 million at the Liquidation Date) **are** assets of Torque's estate in liquidation, with the Users having corresponding creditor claims against Torque for the cryptocurrency assets that they were otherwise entitled to withdraw from their respective Trading Wallet accounts with Torque.

Personal Wallet Crypto Assets.

- 46.4. The Torque Personal Wallet was a separate service offered to Torque's Users, which allowed Users to store cryptocurrency assets in a unique digital wallet address that was provided to the individual User;
- 46.5. However, Torque's Personal Wallet service did not involve Users transferring Crypto Assets to digital wallets that belonged to or were controlled by Torque;
- 46.6. Instead, Users transferred the Crypto Assets to their unique digital Personal Wallet address that was created for each individual User and which are provided or 'hosted' on the Torque application. Whilst Torque's underlying software generated the private keys for its Users in respect of the Personal Wallets, these private keys were stored in an encrypted form and Torque itself

was unable to effect any transfers of the Personal Wallet Crypto Assets – at all times, the Users were in exclusive control of withdrawals from Personal Wallets;

- 46.7. Additionally, Torque had no visibility as to the Crypto Assets stored by Users in their Personal Wallet. Only Users had visibility of balances and knowledge of their private key to effect transfers;
- 46.8. On 3 March 2021, Torque’s Liquidators “froze” the Personal Wallets of its Users by disabling the user interface on the Torque application. As a result, users have been unable to access the Torque Personal Wallet service to effect any transfer of Crypto Assets held in their individual digital Personal Wallets; and
- 46.9. Liquidators’ conclusion: The Personal Wallet Crypto Assets are **not** assets of Torque’s estate, in liquidation, on the basis that legal and beneficial ownership was never transferred from Users to Torque.

Personal Trading Sub-Accounts

- 46.10. Certain creditors advise they had an agreement with Torque management and/or management of another company with close business connections, Snap Innovations Pte Ltd (“**Snap**”), whereby their Crypto Assets were held in specific Torque Sub-Accounts ‘on trust’ for their personal trading. We understand these Crypto Assets were not deposited on Torque’s Binance Accounts through the Torque website or application platforms, but instead transferred directly to Torque’s Binance Accounts;
 - 46.11. We have requested further supporting documentation from these creditors/their lawyers and are in the process of obtaining legal advice to clarify the position; and
 - 46.12. If these creditors/their lawyers provide sufficient evidence to support these assertions, the Personal Trading Sub-Accounts may also be assessed as ‘trust assets’. The value of remaining Crypto Assets in the specific Personal Trading Sub-Accounts identified by these creditors is approximately USD2.9 million. If the Liquidators or a BVI Court determine that the Personal Trading Sub-Accounts are ‘trust assets’, the value of Trading Wallet Crypto Assets available to be shared amongst creditors ‘pari passu’ (in equal proportions), would reduce from approximately USD13.7 million to USD10.9 million.
47. Whilst the Liquidators have already obtained both Singapore and BVI legal advice in respect of the above matters, they intend to apply to the BVI Court for directions to confirm that:
- 47.1. the Liquidators’ assessment of the ownership and legal entitlements of Crypto Assets held in Trading Wallets and Personal Wallets is correct;

- 47.2. the Liquidators have the Court's sanction to convert/realise Torque's Trading Wallet Crypto Assets into US Dollars in order to preserve and protect Torque's assets and to prevent further losses to Torque's creditors given cryptocurrencies are highly volatile and speculative in nature; and
- 47.3. the Liquidators are entitled to reactivate Torque's Personal Wallet functionality to allow Users to withdraw these assets (which they have maintained legal and beneficial title for). It is unclear to the Liquidators what (if any) Crypto Assets continue to be held by Users in Personal Wallets, but the Liquidators would like to reinstate this function as a precaution.
48. The Liquidators put all Users / creditors on notice of their intended BVI court application for directions. Should creditors wish to make any submissions in respect of the same they are encouraged to seek their own legal advice.

F. Creditors

49. Based on the Liquidators' preliminary review of Torque's records and investor database, Torque's creditor claims are estimated at approximately USD345.7 million as at Liquidation Date, across more than 14,000 investors.
50. Key characteristics of Torque's creditor claims are summarised below:

Cryptocurrency	Quantity (original)	Quantity (BTC equiv.)	Estimated value (USD)	% total
BTC	3,222.39	3,222.39	185,764,970	54%
ETH	40,946.30	1,261.43	72,719,279	21%
USDT	70,079,429.83	1,215.64	70,079,430	20%
LTC	38,910.58	134.79	7,770,180	2%
XRP	9,482,441.77	77.19	4,449,693	1%
TRX	62,438,177.88	58.07	3,347,485	1%
BCH	3,001.43	27.49	1,584,753	0.5%
Torque	489.25	0.0004	24	0.0%
Total	N/A	5,997.00	345,715,814	100%

Creditor Profile	
Number of Creditors	14,235
Average Claim Value (USD)	40,946

Country Profile			
Number of Countries		134	
Top 5 Countries by Claim Value			
No.	Country	Estimated value (USD)	% total
1.	Singapore	137,070,228	40%
2.	Malaysia	76,467,033	22%
3.	Australia	11,066,529	3%
4.	Indonesia	10,499,345	3%
5.	United States	10,339,859	3%
Sub-total – Top 5		245,442,994	71%
Total		345,715,814	100%

Indicative Return to Creditors

51. It is too early in the Liquidation to estimate returns to creditors with any certainty. However, for illustrative purposes, the current value of the Crypto Assets provides an indicative return to creditors (after Liquidation costs) of:
- 51.1. between 1.5 and 3 cents in the dollar (based on approximately USD13.7 million Trading Wallet Crypto Assets at 5 May 2021); or

-
- 51.2. between 1.0 and 2.5 cents in the dollar (based on approximately USD10.9 million in Trading Wallet Crypto Assets at 5 May 2021, which excludes the Personal Trading Sub-Accounts of USD2.9 million on the basis they are ‘trust claims’ (refer paragraph 47.12).
52. This indicative return to creditors of 1 to 3 cents in the dollar assumes:
- 52.1. a moderate allowance for negative Crypto Asset price fluctuations, however does not account for the highly volatile and speculative nature of cryptocurrency prices; and
- 52.2. no recoveries by the Liquidators from potential legal claims against Zee and/or other parties (refer **Section G** below); and
- 52.3. Liquidators’ and lawyers’ fees and expenses estimated at between USD1.5 million and USD2 million.

Liquidation Timeline

53. If the Liquidators do not commence legal proceedings to recover further assets, the Liquidation will take **at least 6 months to complete** on the following bases:
- 53.1. Investigations not yet concluded – we expect a further 1 to 2 months will be required to review the billions of Crypto Assets transactions together with our cryptocurrency advisors – in this time, we aim to establish whether or not viable legal claims exist that may result in recovery of material assets for the benefit of creditors from either misappropriated Crypto Assets or other legal claims;
- 53.2. BVI Court applications – the Liquidators will shortly make an application to the BVI Court for directions on various issues and may need to do so again – this may take some time;
- 53.3. Creditor claim adjudication – the process of verifying creditor identities, reviewing and adjudicating creditor proof of debt (“POD”) forms will be challenging and time consuming – it involves more than 14,000 creditors across 120 countries. In our experience, many creditors typically do not complete the POD forms correctly in the first instance and the Liquidators are required to work with them to amend their POD forms – this can take several months;
- 53.4. Payment of creditor distributions – the Liquidators will likely need to pay creditor distributions in US Dollars (rather than cryptocurrency) – verifying bank details, reviewing and processing payments to 14,000 creditors will take time; and
- 53.5. Statutory obligations - The liquidators will continue to meet their statutory and reporting obligations as required under the Act and Insolvency Rules, 2005 in accordance with BVI law.

54. If the Liquidators commence legal proceedings to recover further assets, the Liquidation will take **at least 12 to 18 months to complete**. However, this would only be considered where projected recoveries would result in a material improvement in returns to creditors.

G. Investigations and Potential Legal Claims

55. Torque's creditor claims are approximately USD345.7 million across more than 14,000 investors and the Crypto Assets under the control of the Liquidators are valued at approximately USD8.6 million as of 18 March 2021. This currently represents an estimated loss of asset value of approximately USD337.1 million ("**Crypto Asset Losses**").
56. On the basis that all of Torque's Crypto Assets are liquidation estate assets, all creditors will share in the Liquidators' net asset realisations pari passu (in 'equal proportions'). This represents an estimated return to creditors of Torque of approximately 2.5 cents in the dollar (or 2.5%) after taking into account the Liquidators' fees and expenses.
57. The Liquidators' priority has been to conduct detailed investigations to establish the proportion of the Crypto Asset Losses attributable to:
- 57.1. Unauthorised Trades - Crypto Assets Losses resulting from the Unauthorised Trades – that is, unauthorised leveraged trading allegedly undertaken by Zee. To date, this has proved challenging due to the inability to extract trading profit and loss statements from Binance Torque Trading Accounts – the Liquidators continue to seek disclosure from Binance (including through its legal advisors) in this regard. If the Unauthorised Trades are established as operational losses in nature, they are not directly recoverable by the Liquidators as against the counterparties to the relevant trades. Legal claims can be pursued for these losses from Unauthorised Trades against Zee and/or potentially other parties for breach of fiduciary duties and other legal bases; and
- 57.2. Misappropriated Assets - Crypto Asset Losses resulting from Zee or other parties transferring Torque's Crypto Assets to their personal accounts or accounts of related parties. On 19 March 2021, a successful application was made to the General Division of the High Court of the Republic of Singapore for an Order of Court, which restrains Zee from disposing of, dealing with, or diminishing the value of any of his assets whether they are in or outside Singapore, whether in his own name or not and whether solely or jointly owned up to the value of USD343.7 million (the "**Mareva Injunction**"). Following the Mareva Injunction, the Liquidators have taken immediate steps to issue letters to all relevant stakeholders giving notice of the Mareva Injunction, and to serve the Mareva Injunction on Zee. Possible further claims, including against other parties, are being contemplated.
58. Given the substantial volume of data, it will take some time to fully reconcile the information available from the various sources – based on the Liquidators' latest estimates, their investigations will likely involve a review of (at least) 4 billion transactions (deposits, withdrawals and trades) from more than 14,000 customers across two different systems.

59. To date, Torque management and Torque Technologies' team in Vietnam have been fully cooperative and transparent – making available all requested information.
60. In respect of asset identification and tracing, the Liquidators have focussed on:
 - 60.1. Crypto Assets – utilising Kroll Group's substantial cyber/technology expertise to trace the Unauthorised Transfer and the Misappropriated Assets identified to their ultimate digital wallet destination and identifying the owner of these digital wallets and their physical location; and
 - 60.2. Other assets of relevant parties – utilising Kroll Group's substantial investigations and intelligence services to identify assets globally of Zee and/or any other relevant parties that were the beneficiary of misappropriated Crypto Assets.
61. The tracing of both Crypto Assets and other assets will facilitate potential legal and other recovery action against these individuals in the relevant jurisdictions if the grounds for the same exist. The Liquidators intend to apply to courts in the relevant jurisdictions where Torque's assets are discovered, which is likely in Singapore, BVI, and Vietnam.

Possible claims under section IX of the Insolvency Act, 2003

62. For the reasons set out above, the Liquidators' investigations are ongoing in respect of potential legal claims available under Section IX of the Act in respect of the promotion, formation, management, conduct of the affairs and insolvency of Torque.
63. The Liquidators will provide material updates when appropriate and where confidentiality permits - it is important the Liquidators do not compromise their investigation or potential routes to recoveries by disclosing certain recovery efforts publicly.

H. Creditors Meeting and Virtual Town Hall

64. Pursuant to section 183 of the Act, liquidators appointed by the Court are not required to call a meeting of creditors unless 10 percent in the value of the creditors of the Company give the liquidators written notice requesting a meeting.
65. At this stage, the Liquidators do not intend to convene a formal creditors' meeting where creditor claims are first reviewed and assessed – this would be a costly and time-consuming process which would divert the Liquidators' resources from the primary focus of investigation and recovering assets. A formal creditors meeting can occur at a later stage if appropriate.
66. Although a formal meeting is not proposed at this time, the Liquidators have, together with this report issued a 4th Circular that:
- 66.1. convenes a Virtual Town Hall to provide creditors with an update on the liquidation and present preliminary investigation findings to the extent that they are not commercially sensitive; and
 - 66.2. seeks creditor nominations to participate on an ad hoc creditor committee ("Advisory Co") for the Torque Liquidation. The Advisory Co will not have any formal power, however will function as a consultative body whereby members will be provided detailed updates on the Liquidators' investigations and be consulted with and their views sought in respect of legal recovery strategies. Membership on the Advisory Co will be an unpaid role and will require creditors to sign non-disclosure agreements.

I. Contact Details

67. Should you have any queries or require further information, please contact myself or Kent McParland. Our contact details are set out below:

Torque Borrelli Walsh

Office BVI : +1 284 340 5888

Office SG : +65 6327 1211

Email : torque@borrelliwalsh.com



Jason Kardachi
Joint Liquidator
Torque Group Holdings Limited (In Liquidation)

Enclosures

Annexure 1
Notice of Appointment of Liquidators

IN THE MATTER OF THE BVI INSOLVENCY ACT, 2003 (“ACT”)

**TORQUE GROUP HOLDINGS LIMITED (IN LIQUIDATION)
COMPANY NUMBER: 2024611
 (“COMPANY”)**

NOTICE IS HEREBY GIVEN pursuant to section 178(1) of the Act, that on 18 March 2021, the Company was placed into liquidation by order of the Eastern Caribbean Supreme Court in the High Court of Justice British Virgin Islands and that Jason Kardachi of Borrelli Walsh Pte Limited, One Raffles Place, Tower 2, #10-62, Singapore, 048616 and Philip Smith of Borrelli Walsh (BVI) Limited, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, VG1110, British Virgin Islands were appointed as Joint Liquidators (“Liquidators”) of the Company.

FURTHER NOTICE IS HEREBY GIVEN pursuant to Section 183 of the Act, that a meeting of creditors of the Company will not be held under section 179 of the Act, having regard to the assets and liabilities of the Company and that a creditors’ meeting will not be called unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

We will write to creditors outlining the creditors’ claim verification and proof of debt (POD) process in due course.

Dated: 24 March 2021

Philip Smith
Joint Liquidator

Contact for enquiries:

Name: Liquidators, Torque Group Holdings Limited
Email: torque@borrelliwalsh.com
Address: c/o Borrelli Walsh
3rd Floor, Commerce House
Road Town,
British Virgin Islands

Annexure 2
Creditor Circulars

March 3, 2021

Circular to Customers

Dear Sirs,

Subject: Torque Group Holdings Limited (In Provisional Liquidation), BVI Company Registration Number: 2024611

Jason Kardachi and I were appointed Joint Provisional Liquidators (“Provisional Liquidators”) of Torque Group Holdings Limited (“Torque” or “Company”) pursuant to an order of the Eastern Caribbean Supreme Court of the British Virgin Islands dated 2 March 2021 (“Order”). A copy of the Order will be provided once made available by the BVI Court Registrar.

Upon the appointment of the Provisional Liquidators, the power of the directors of Torque have ceased and the directors no longer have any authority to deal with the assets of Torque. All dealings in Torque must now be authorised by one of the Provisional Liquidators or their authorised representatives.

Among other things, the responsibilities of the Provisional Liquidators include identifying, taking control of and realising the assets of Torque and carrying out such investigations as the Provisional Liquidators consider appropriate.

The Provisional Liquidators immediate next steps will focus on:

- identifying and verifying customer claims;
- investigating transactions of concern; and
- communications.

Identifying and verifying customer claims

Torque has over 14,000 estimated customers spanning more than 120 countries. The Provisional Liquidators process to properly identify customers and verify the value of their claims will be a complex and time-consuming process.

The Provisional Liquidators are considering cost effective methods to undertake this process and will revert with an update as soon as possible.

Investigating transactions of concern

As many Torque customers are aware, various transactions of concern were recently identified involving a former management representative who: (1) undertook unauthorised leveraged cryptocurrency trades resulting in substantial losses to the Company; and (2) may have misappropriated certain cryptocurrency assets.

The Provisional Liquidators will investigate the circumstances of these transactions of concern and seek to recover/seize misappropriated assets and minimise losses to the Company's creditors. This will involve expert forensic accounting and technology services.

Whilst these investigations will be pursued as a priority, the Provisional Liquidators expect this process will take time given:

- the complexity involved in tracing movement of cryptocurrency assets;
- extensive scale of customers and information that needs to be obtained, reviewed, and analysed; and
- what appears to be at this early stage relatively weak corporate governance, controls and documentation.

All Torque customer accounts to remain frozen

Unfortunately, all Torque user accounts will remain frozen for the foreseeable future.

The Provisional Liquidators are not legally capable of repaying any Torque customers until they have properly verified all 14,000 customer claims and completed at least their preliminary investigations into the transactions of concern. Given the number of customers and the complexity of Torque's business, these processes will be challenging and likely take (at least) several months.

The Provisional Liquidators aim to provide an estimated timeline for securing/realising Torque's cryptocurrency assets and verifying creditor claims in coming weeks.

Communications Protocol

The Provisional liquidators will endeavour to update Torque customers as regularly as possible. However, given there are approximately 14,000 customers, responding to all customer queries individually is not feasible or economical. It is important the Provisional Liquidators focus the Company's limited cash resources on investigating and recovering assets to maximise the returns available to customers.

The Provisional Liquidators' current intention is to issue regular updates ("Creditor Circulars") to all customers by email and deal with other queries raised as appropriate. The Creditor Circulars will also be uploaded to Borrelli

Walsh's website (<https://www.borrelliwalsh.com/creditors/>). In the event that any meaningful progress is otherwise made, the Provisional Liquidators will issue further ad hoc updates as and when appropriate.

The Provisional Liquidators' answers to individual creditor queries will be consolidated and issued to all potential creditors by Creditor Circular as and when appropriate.

For any urgent customer, creditor and media enquiries, please contact the Provisional Liquidators at: torque@borrelliwalsh.com.

Sincerely,



Philip Smith
Joint Provisional Liquidator
Torque Group Holdings Limited
(In Provisional Liquidation)

March 15, 2021

2nd Circular to Customers / Creditors

Dear Sirs,

**Subject: Torque Group Holdings Limited (In Provisional Liquidation) (“Torque”)
BVI Company Registration Number: 2024611**

I refer to the Circular dated 3 March 2021 (“1st Circular”), in which the Provisional Liquidators notified creditors of their appointment and provided an update on immediate next steps. A copy of the Court Order is now available and is enclosed (case number BVIHCOM2021/0031).

Unless otherwise defined herein, capitalised terms used in this circular shall have the same meanings as those defined in the 1st Circular.

The purpose of this circular (“2nd Circular”) is to provide customers with an update on progress since our appointment as Provisional Liquidators of Torque and next steps.

A. Background

1) Torque Group Structure

Torque primarily serves as a global online platform for crypto-to-crypto trading and provides users (“Users”) with a trading platform and other crypto-related services via its websites and mobile applications (“Services”).

Torque accepted deposits from the following cryptocurrencies (i) Bitcoin (“BTC”); (ii) Ether (“ETH”); (iii) Tether (“USD₮”); (iv) Litecoin (“LTC”); (v) Bitcoin Cash (“BCH”); (vi) Tron (“TRX”); and (vii) Ripple (“XRP”). Torque did not accept deposits in any other cryptocurrency or fiat currency.

Torque is a part of the “Torque Group” which also comprises:

- Torque Management Ltd., a company incorporated in Malta (“Torque Management”), which has no operations, assets or liabilities; and
- Torque Technologies Company Ltd., a company incorporated in Vietnam and wholly-owned and solely directed by Nguyễn Mạnh Hiếu, an independent Vietnamese national (“Torque Technologies”).

For the avoidance of doubt, the appointment of Provisional Liquidators of Torque does not extend to Torque Management or Torque Technologies – they are not subsidiaries of Torque.

Torque has a decentralised labour force with its core technology and operations teams working at the direction of Torque Technologies in Vietnam who are outsourced from a Vietnamese third party.

The Provisional Liquidators have been advised that there are no contracts in place formalising the above arrangements between Torque and Torque Technologies.

2) *Binance Accounts*

Torque primarily uses Binance (www.binance.com) as a cryptocurrency exchange to hold its Crypto Assets in a network of over 240 Binance sub-accounts (“Sub-Accounts”) linked to a main Binance account (“Main Account”) (collectively, the “Binance Accounts”). Each of these Sub-Accounts were used by Torque for trading the Crypto Assets to generate profits. Any external withdrawals of the Crypto Assets from the Sub-Accounts need to first be transferred to the Main Account to transact with third parties.

The Provisional Liquidators have identified that the Main Account is not a corporate Binance account, as corporate accounts were not available on Binance when Torque commenced trading. Instead, the Main Account is an individual account in the name of an employee held under a nominee arrangement for the benefit of Torque. The individual nominee has issued a letter to the Provisional Liquidators formally acknowledging the nominee arrangements and that the associated Crypto Assets are assets of Torque.

B. Role of Provisional Liquidators/Liquidators

The Provisional Liquidators are officers of the BVI Court appointed to act on behalf of Torque’s creditors. The provisional liquidation and, ultimately, any liquidation that follows, is a Court process which the BVI Court controls through its appointed provisional liquidators and liquidators. In addition to their duties to the Court as officers of the Court, the Provisional Liquidators owe duties to Torque’s creditors. Whilst the Provisional Liquidators will seek to work with the directors, officers and shareholders of Torque in order to meet their duties to the Court and to Torque’s creditors, the Provisional Liquidators do not act on behalf of the directors, officers and/or shareholders of Torque.

Under section 171 of the British Virgin Islands (the “BVI”) Insolvency Act, 2003 (“Act”), a provisional liquidator has all the rights and powers of a liquidator to the extent necessary to maintain the value of the assets and to carry out the functions for which he was appointed. The Court may determine the powers of the provisional liquidator if it considers fit. The Court has done so in this case to assist the Provisional Liquidators in tracking and tracing Torque’s assets.

The Provisional Liquidators are bound by obligations set out in the Act and other duties imposed by the Court as outlined in the Court Order. Section 184 of the Act states that the Provisional Liquidators act as officers of the Court and are the agent of the company in liquidation – a key obligation is acting independently and in the best interests of creditors. This was emphasised during the hearing which resulted in the appointment of the Provisional Liquidators.

Upon the appointment of the Provisional Liquidators, the power of the directors of Torque have ceased and the directors no longer have any authority to deal with the assets of Torque. All dealings in Torque and its assets must now be authorised by one of the Provisional Liquidators or their authorised representatives.

All affairs, business, and property of Torque are now controlled by the Provisional Liquidators for the purpose of preserving, protecting and recovering Torque’s assets. Among other things, the responsibilities of the Provisional Liquidators include identifying, taking control of, protecting, and preserving the assets and business of the Company and carrying out such investigations as the Provisional Liquidators consider appropriate. As the BVI Court has ordered, that includes pursuing Torque’s assets in other jurisdictions if the Provisional Liquidators believe that to be a proper course in light of their duties.

C. Experience of Borrelli Walsh, a Kroll Business

As of 30 November 2020, Borrelli Walsh is a part of Kroll (formerly known as Duff & Phelps), the world's premier provider of services and digital products related to governance, risk and transparency. Kroll works with clients across diverse sectors in the areas of valuation, expert services, investigations, cyber security, corporate finance, insolvency, restructuring, legal and business solutions, data analytics and regulatory compliance. It has nearly 5,000 professionals in 30 countries and territories around the world, that are now operating as one team to assist the Provisional Liquidators in respect of Torque (together, the "Kroll Group").

The Kroll Group has played key roles in many of the region's most significant and complex insolvencies, including most recently the liquidation of Gatecoin Limited, a Hong Kong based cryptocurrency exchange that involved over 100,000 investors and HKD302.6 million (USD39 million) of cryptocurrency claims. Set out below is a high-level snapshot of Kroll Group's relevant expertise:

- Insolvency and restructuring – Kroll Group is a market leading insolvency and restructuring firm specialising in complex and cross border assignments in Asia and the Caribbean. The expert team has extensive forensic accounting experience and apply this rigorous approach to their liquidation investigations, including establishing fund flows and asset tracing. With the benefit of these forensic investigations, we have a track record of successfully proving accounting frauds, securing assets internationally and recovering funds as Liquidators from legal claims against directors, auditors and shareholders, including through litigation and/or settlement negotiations, for the benefit of its creditors.
- Investigations and business intelligence - Kroll Group is internationally recognised as the premier firm in conducting investigations of fraud and misconduct. We develop facts and intelligence to support successful litigation strategies, perform due diligence investigations on prospective deals, and evaluate business opportunities and the strengths and weaknesses of competitors; and
- Cryptocurrency asset tracing and recovery - Kroll Group holistically investigates the technical and non-technical clues, leveraging off both to identify where the funds went and who was responsible. Kroll Group's advantage lies in the diverse skills of its investigative teams, comprised of former prosecutors, forensic accountants, investigators, computer forensic specialists and intelligence analysts. Kroll Group pioneered the concept of investigative accounting — the combination of robust forensic accounting with traditional investigative and intelligence gathering techniques and cutting-edge blockchain analytics. Kroll Group is involved in several ongoing actions for and against exchanges for the recovery of assets from hacks and thefts, including the identification of those responsible for the theft of USD tens of millions in BTC from a European exchange. Recent public engagements include being selected by the US SEC in the AriseBank case to assist the first ever receiver in an enforcement action against the promoters of an ICO, and being selected by the Trustee in the Quadriga bankruptcy to trace crypto assets following the collapse of the exchange in Canada.

D. Securing of Assets

Upon their appointment, the Provisional Liquidators immediately sought to secure control of Torque's Crypto Assets as a matter of urgency by:

- freezing all Torque user accounts on the Torque system (website and application);
- securing control of Torque's Binance Accounts (Main Account and Sub-Accounts) by changing login credentials and two-factor identification details; and
- issuing a formal notification letter to Binance advising of the Provisional Liquidators appointment, requesting that all Torque Binance Accounts be immediately frozen and various historical trading information provided.

Torque's Crypto Assets under the control of the Provisional Liquidators comprise approximately 149 BTC equivalent (across multiple cryptocurrencies) representing a USD equivalent value of approximately USD9.1 million as at 14 March 2021.

Torque's Crypto Assets are comprised of:

Cryptocurrency	BTC equivalent	Estimated value (USD)	% Total
BTC	48.42	2,952,186.72	33%
USDT	32.68	1,992,500.69	22%
ETH	25.36	1,546,267.71	17%
XRP	15.75	960,041.94	11%
BNB	10.55	643,151.05	7%
Others	16.15	984,410.46	11%
Total	148.91	9,078,558.57	100%

Torque's management have advised that Torque does not own any assets other than Crypto Assets. The Provisional Liquidators are making their own enquiries to independently verify this.

E. Creditor Claims

Based on our preliminary review of Torque's records and investor database, Torque's creditor claims are estimated at USD325 million as at 2 March 2021 across more than 14,000 investors.

As mentioned in the 1st Circular, the Provisional Liquidators are not legally capable of repaying any Torque customers until they have properly verified all 14,000 customer claims and completed at least their preliminary investigations and have been directed to do so by the BVI Court. Given the number of customers and the complexity of Torque's business, the Provisional Liquidators will require time in order to, among other things, (1) ascertain the legal entitlements of customers, (2) verify whether appropriate Know-Your-Client ("KYC") procedures were conducted on customers, and (3) set up a proper procedure to verify claims from all creditors in accordance with BVI law.

These processes will necessarily and reasonably take time and require legal advice and, potentially, the BVI Court's direction on matters including (but not limited to):

- Assets – establishing entitlements to Torque's Crypto Assets as between creditors of Torque and other competing parties;
- Personal Trading Accounts - certain creditors advise they had an agreement with Torque management whereby their Crypto Assets were held in specific Torque Sub-Accounts 'on trust' for their personal trading. These Crypto Assets were not deposited on Torque's Binance Accounts through the Torque website or App platforms, but separately transferred to Torque's Binance Accounts. We have requested further supporting documentation from these creditors and will obtain legal advice to clarify the position; and
- Creditor claims – under BVI law, the Provisional Liquidators must ask creditors to submit proofs of debt ("POD") that set out the value of their claims and provides relevant supporting details. The PODs and supporting documents will allow the Provisional Liquidators to review and accept creditor claims. Once the BVI Court has issued an Order appointing Liquidators (as opposed to Provisional Liquidators), the Liquidators, with the benefit of these PODs, will pay distributions to all creditors 'pari passu' (meaning in equal shares based on value). As mentioned in the 1st Circular, Torque has over 14,000 estimated customers spanning more than 120 countries. The Provisional liquidators are considering cost effective methods to undertake this process that balances the requirements under BVI law to properly validate PODs whilst ensuring the Provisional Liquidators/Liquidators' time costs are more appropriately focused on recovering assets for the benefit of Torque's creditors.

These legal issues, together with information challenges (explained at Section F.1 below), will require time for the Provisional Liquidators to resolve.

We will write to creditors outlining the creditor claim verification (POD) process in due course.

F. Preliminary Investigation Update

Torque's creditor claims are approximately USD325 million and the Crypto Assets under the control of the Provisional Liquidators are valued at approximately USD9.1 million as of 14 March 2021, representing an apparent current loss of asset value of approximately USD317 million ("Crypto Asset Losses").

The Provisional Liquidators' immediate priority is to conduct a detailed investigation to establish the proportion of the Crypto Asset Losses attributable to:

- Trading Losses – Crypto Assets Losses resulting from unauthorised leveraged cryptocurrency trading allegedly undertaken by the former Chief Technology Officer ("CTO") – where these losses are considered operational in nature, they are not directly recoverable by the Provisional Liquidators as against the counterparties to the relevant trades. In any event, legal claims can be pursued for these Trading Losses against the former CTO for breach of fiduciary duties and other legal bases; and
- Misappropriated Assets – Crypto Asset Losses resulting from certain individuals misappropriating Torque's Crypto Assets to their personal accounts or accounts of related parties. To date, we have established that Torque's former Chief Technology Officer ("CTO") Wu Zhongyi ("Zee") appears to have misappropriated at least 72 BTC (approximately USD5 million in value) from Torque. At all material times, Zee had approval rights and control of Torque's Binance Accounts. From our preliminary investigations, it appears that Zee gave instructions to Binance to approve ('whitelist') a new BTC wallet address ("Unauthorised Wallet") using his Binance Account approval rights. Once the Unauthorised Wallet was approved by Binance, Zee transferred 72 BTC from Torque's Binance Accounts to the Unauthorised Wallet ("Unauthorised Transfer"). The Unauthorised Transfer was not transferred through Torque's nominated company wallet (managed by Torque Vietnam) and therefore was not recorded or recognised on Torque's system as a transfer. We are in the process of tracing the Unauthorised Transfer to the Unauthorised Wallet (refer to Section F.2 below).

The Provisional Liquidators' investigations of Crypto Asset Losses is necessarily detailed and complex, however they are focussed on identifying, freezing and recovering Crypto Assets as quickly as possible.

To protect the integrity of the Provisional Liquidators' investigations, some of these efforts must remain confidential and we request your understanding in this regard. We will provide you material updates as and when appropriate.

Set out below are the key workstreams being undertaken in respect of the Provisional Liquidators' investigation:

1) Securing Torque's books and records

The first and most critical step of the Provisional Liquidators' investigation is securing all available information in respect of Torque's customers and Crypto Assets held on both (i) Torque's electronic databases and applications (managed by Torque Vietnam); and (ii) Torque's Binance system.

Immediately upon appointment, Kroll Group cyber team forensically imaged all of Torque's back-end databases, applications and server information. Additionally, the Provisional Liquidators extracted a full transactional report setting out all Deposits and Withdrawals from the Binance Accounts.

Given the substantial volume of data, it will take some time to fully reconcile the information available from the various sources – this involves (at least) 3.5 million transactions (deposits, withdrawals and trades) from more than 14,000 customers across two different systems. The Provisional Liquidators are utilising the Kroll Group's cyber security and technology experts in this regard.

To date, Torque management and Torque Technologies' team in Vietnam have been fully cooperative and transparent – making available all requested information.

2) Tracing and Freezing Assets

The Provisional Liquidators' asset tracing activities are focussed on:

- Crypto Assets – utilising Kroll Group’s substantial cyber/technology expertise to trace the Unauthorised Transfer and any other misappropriated Crypto Assets identified to their ultimate digital wallet destination and identifying the owner of these digital wallets and their location.
- Other assets of relevant parties – utilising Kroll Group’s substantial investigations and intelligence services to identify assets globally of Zee and/or any other relevant parties that were the beneficiary of misappropriated Crypto Assets.

The tracing of both Crypto Assets and other assets will facilitate potential legal and other recovery action against these individuals in the relevant jurisdictions if the grounds for the same exist. This will likely involve the Provisional Liquidators applying to courts in the relevant jurisdictions (Singapore, BVI, Vietnam or wherever Torque’s assets are discovered).

3) Liquidators’ Legal Claims

Liquidators have several statutory options available to them under the Act to facilitate investigations and asset recoveries for the benefit of all creditors. Part IX of the Act permits the liquidators to make an application to the Court for an order requiring a person to make restitution to Torque if they commit one of the following offences:

- Retention or misapplication of money or other assets of Torque by an officer of Torque or a person closely connected to the formation of, or management of Torque;
- Any person knowingly carrying on the business with intent to defraud the creditors or for any fraudulent purpose; or
- A current or former director of Torque who continued trading knowing the Company was insolvent with no reasonable prospect to avoid going into insolvent liquidation.

To assist in their investigations, the Provisional Liquidators can make an application under section 284 of the Act to examine a party before the Court. This includes, among others:

- Current or former officers of Torque;
- Current or former members of Torque;
- A person involved with the promotion or formation of Torque;
- A person currently employed (or previously employed within the relevant period) by Torque;
- Any person considered to be capable of giving information concerning Torque; or
- Any person known or suspected to hold assets of Torque or be indebted to Torque.

An examinee is examined under oath and is required to answer all questions the Court may ask or allow to be asked. A defence of possible incrimination by answering a question is not permitted under the Act.

Additionally, under Part VIII of the Act, the liquidators can review any transaction falling within the relevant vulnerability period (“Vulnerability Period”) to determine if it is a voidable transaction and the asset is potentially recoverable for the benefit of creditors. Voidable transactions include, among others:

- Unfair preference payments; and
- Undervalue transactions.

The Vulnerability Period is 2 years before the Liquidation appointment date for Connected Persons (related parties), otherwise 6 months before the Liquidation appointment date.

The Provisional Liquidators' prospects of successfully recovering funds for creditors using the above legal claims will be considered as the investigation progresses and further information is obtained.

G. Common Questions and Answers

The Provisional Liquidators have received thousands of queries from customers in respect of Torque. As set out in the 1st Circular, the Provisional Liquidators will endeavour to update Torque customers and address any queries submitted as regularly as possible. However due to the number of customers and volume of queries, responding to all customer queries individually is not feasible or economical.

The Provisional Liquidators' answers to individual customer queries will be consolidated and issued to all creditors and customers in regular updates ("Circulars") issued by email or posted on Borrelli Walsh's website (<https://www.borrelliwalsh.com/creditors/>).

Please find enclosed an Investor Questions and Answers ("Investor Q&A") document that addresses the common queries received in the first week of the Provisional Liquidation of Torque.

For any urgent customer, creditor and media enquiries, please contact the Provisional Liquidators at: torque@borrelliwalsh.com.

Sincerely,



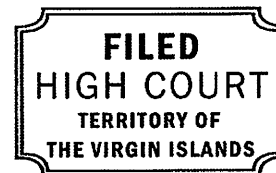
Philip Smith
Joint Provisional Liquidator
Torque Group Holdings Limited
(In Provisional Liquidation)

Investor Q&A

No.	Category	Question	Answer
1	Claims	When can I get my money back?	<p>Torque has entered Provisional Liquidation and all Torque user accounts will remain frozen for the foreseeable future.</p> <p>The Provisional Liquidators are not legally capable of repaying any Torque customers until they have properly verified all 14,000 customer claims and completed at least their preliminary investigations and the BVI Court directs distributions to be made. Given the number of customers and the complexity of Torque's business, these processes will be challenging.</p> <p>The Provisional Liquidators aim to provide an estimated timeline for securing / realising Torque's cryptocurrency assets and verifying creditor claims in coming weeks.</p> <p>In the event that no further assets can be recovered by the Provisional Liquidators from related parties or third parties, a nominal distribution to creditors may be possible during 2021.</p> <p>However, in the event that the Provisional Liquidators investigations identify legal claims and assets to recovery from related or third parties that increase the return to creditors, this will involve litigation across multiple jurisdictions and take more time.</p> <p>At this stage, it is too early to determine the timing and quantum of any distribution to creditors.</p> <p>Regular updates ("Circulars") will be sent via email and uploaded on to Borrelli Walsh's website (https://www.borrelliwalsh.com/creditors/)</p>
2	Claims	What do I need to do to get my money back?	
3	Claims	Can I withdraw my investment now?	
4	Claims	Can I still recover my money?	
5	Claims	What information do you need to speed up my refund?	
6	Claims	Is there a repayment scheme?	
7	Claims	Are there any forms to fill in to recover my money?	
8	Claims	How much are we expecting to get back from the liquidation?	
9	Claims	Why can't I access or recover money from my personal wallet?	
10	Claims	Torque management has promised to repay all deposits from 8 and 9 February 2021.	
11	Future Updates	What do I do now?	
12	Future Updates	Where will we receive updates from now on?	
13	Future Updates	Do you have updates on the company?	

14	Future Updates	How do I sign up for the mailing updates on the recovery process?	If you have not received the Circular via email, please contact us via torque@borrelliwalsh.com to be added into the mailing list.
15	Liquidation	What does a liquidation mean?	<p>A company is placed in liquidation when it is insolvent or when the Court determines it is just and equitable for the company to be placed into liquidation.</p> <p>Refer to section 2) of the 2nd Circular for the role and obligations of liquidators.</p>
16	Liquidation	Why is my money from Torque being used to pay liquidator fees?	<p>At this stage, the Provisional Liquidators have not used any of the Torque's Crypto Assets to pay liquidators' fees.</p> <p>However, as a matter of BVI Insolvency Law, liquidators are typically allowed to use company assets in order to pay their liquidation fees and expenses with the approval of the Court or a company's creditors.</p> <p>This is a necessary mechanism to allow an independent party who acts for the benefit of all creditors to undertake the work necessary to collect a company's assets, investigate and pursue claims and distribute recoveries to creditors.</p>
17	Liquidation	How long will this process take?	<p>It is too early to determine how long the liquidation of Torque will take to complete. A liquidation of this size and complexity, that will likely involve substantial litigation and asset recovery work across multiple jurisdictions, will not be a short process.</p> <p>The Provisional Liquidators will provide an estimated timeline for securing / realising Torque's Crypto Assets and verifying creditor claims as soon as practical and appropriate.</p> <p>Regular updates ("Circulars") will be sent via email and uploaded on to Borrelli Walsh's website (https://www.borrelliwalsh.com/creditors/)</p>

18	Investigations	Is this some kind of scam?	Refer to 'Section F. Preliminary Investigations' of our 2 nd Circular.
19	Investigation	Is there any action being taken against the offending former employee?	
20	Trading	Will the company start trading again?	<p>Torque ceased trading immediately on the appointment of the Provisional liquidators.</p> <p>On the basis that Torque is clearly insolvent (creditor claims greatly exceed assets), it will not likely ever recommence trading.</p>



IN THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION
CLAIM NO. BVIHC (COM) 2021/0031

Submitted Date:03/03/2021 09:56

Filed Date:03/03/2021 09:56

Fees Paid:72.59

IN THE MATTER OF THE INSOLVENCY ACT 2003
AND IN THE MATTER OF TORQUE GROUP HOLDINGS LIMITED

BETWEEN:

BERNARD ONG HOCK FONG

Applicant

And

TORQUE GROUP HOLDINGS LIMITED

Respondent

ORDER

BEFORE: The Honourable Mr. Justice Wallbank (A.g.)

DATE: 2 March 2021

ENTERED: 4 March 2021

UPON THE ORDINARY APPLICATION OF Bernard Ong Hock Fong (the "Applicant") dated 26 February 2021 to appoint joint provisional liquidators over Torque Group Holdings Limited (the "Company") pursuant to subsection 170(1) and paragraph 170(2)(d) of the Insolvency Act, 2003

AND UPON READING the Affidavit of Bernard Ong Hock Fong dated 26 February 2021, filed in support of the Ordinary Application, with Exhibit BOHF-1 thereto

AND UPON HEARING Brian Child and Rachael Stitt of Campbells, Counsel for the Applicant

IT IS HEREBY ORDERED THAT:

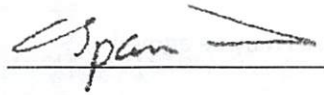
1. The Applicant, as member of the Company, is hereby granted leave to make the Application for the appointment of joint provisional liquidators over the Company.

2. Philip Smith, of Borrelli Walsh, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, British Virgin Islands VG 1110 and Jason Kardachi of Borrelli Walsh, #10-62, 1 Raffles Place Tower 2, Singapore 048616 be appointed joint provisional liquidators (together, the “**Joint Provisional Liquidators**”) of the Company.
3. The requirement of 14 days’ notice of the Application for the appointment of the Joint Provisional Liquidators be dispensed with pursuant to Rule 17(3)(a) of the Insolvency Rules, 2005.
4. The Joint Provisional Liquidators be given the powers set out under the Insolvency Act, 2003 (the “**Act**”), in particular the powers in section 186 and Schedule 2 of the Act, as set out in the Annex to this Order with the specific additional provisions that:
 - a. the Joint Provisional Liquidators may commence proceedings in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained; and
 - b. the Joint Provisional Liquidators may seek recognition of their appointment as joint liquidators in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained;
5. The Joint Provisional Liquidators and the Applicant are not required to provide any security deposit for the appointment of the Joint Provisional Liquidators.
6. The costs of and occasioned by this Application be reserved to the hearing of the Originating Application.
7. The proper fees and disbursements of the Joint Provisional Liquidators be paid from the assets of the Company, to be paid in accordance with the prescribed priority if joint liquidators are subsequently appointed.
8. There be permission to apply.
9. Pending approval of the appointment of Jason Kardachi by the BVI Financial Services Commission, the Applicant shall obtain the consent of the Company to the appointment of Jason Kardachi as one of the Joint Provisional Liquidators of the Company. Absent subsequent approval by the BVI Financial Services Corporation of Mr Kardachi’s qualification to be appointed, such consent shall be a condition for any consequential appointment of the Joint Provisional Liquidators as joint liquidators of the Company.

10. The hearing of the Originating Application to appoint Philip Smith and Jason Kardachi as Joint Liquidators of the Company to be listed on the first available date.

11. These proceedings be hereby sealed until further order of the Court.

BY ORDER OF THE COURT



REGISTRAR Dep.



ANNEX

SCHEDULE 2

(Section 186 Insolvency Act, 2003)

1. Power to pay any class of creditors in full.
2. Power to make a compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging that they have any claim against the company, whether present or future, certain or contingent, ascertained or not.
3. Power to compromise, on such terms as may be agreed
 - (a) calls and liabilities to calls, debts and liabilities capable of resulting in debts, and claims, whether present or future, certain or contingent, ascertained or not, subsisting or supposed to subsist between the company and any person; and
 - (b) questions in any way relating to or affecting the assets or the liquidation of the company; and take security for the discharge of any such call, debt, liability or claim and give a complete discharge in respect of it.
4. Power to commence, continue, discontinue or defend any action or other legal proceedings in the name and on behalf of the company including, without limiting the foregoing, the power to:
 - (a) commence proceedings in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained; and
 - (b) seek recognition of their appointment as joint liquidators in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained;
5. Power to carry on the business of the company so far as may be necessary for its beneficial liquidation.
6. Power to sell or otherwise dispose of property of the company.
7. Power to do all acts and execute, in the name and on behalf of the company, any deeds, receipts or other document.
8. Power to use the company's seal.

9. Power to prove, rank and claim in the bankruptcy, liquidation, insolvency or sequestration of any member or past member for any balance against his estate, and to receive dividends, in the bankruptcy, liquidation, insolvency, sequestration or in respect of that balance, as a separate debt due from the bankrupt or insolvent, and rateably with the other separate creditors.

10. Power to draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the company with the same effect with respect to the company's liability as if the bill or note had been drawn, accepted, made or indorsed by or on behalf of the company in the course of its business.

11. Power to borrow money, whether on the security of the assets of the company or otherwise.

12. Power to take out in his official name letters of administration to any deceased member or past member or debtor, and to do any other act necessary for obtaining payment of any money due from a member or past member or debtor, or his estate, that cannot conveniently be done in the name of the company.

For the purpose of enabling the liquidator to take out letters of administration or do any other act under this paragraph, to be due to the liquidator himself.

13. Power to call meetings of creditors or members for

- (a) the purpose of informing creditors or members concerning the progress of or matters arising in the liquidation;
- (b) the purpose of ascertaining the views of creditors or members on any matter arising in the liquidation; or
- (c) such other purpose connected with the liquidation as the liquidator considers fit.

14. Power to appoint a solicitor, accountant or other professionally qualified person to assist him in the performance of his duties.

15. Power to appoint an agent to do any business that the liquidator is unable to do himself, or which can be more conveniently done by an agent.

IN THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION
CLAIM NO. BVIHC (COM) 2021/0031

IN THE MATTER OF THE INSOLVENCY ACT, 2003
AND IN THE MATTER OF TORQUE GROUP
HOLDINGS LIMITED

BETWEEN:

BERNARD ONG HOCK FONG

Applicant

And

TORQUE GROUP HOLDINGS LIMITED

Respondent

ORDER

Campbells
Floor 4, Banco Popular Building,
Road Town, Tortola, VG1110,
British Virgin Islands
Tel: +1 284 494 2423
Reference:
Legal Practitioners for the Applicant

March 31, 2021

3rd Circular to Creditors

Dear Sirs,

Torque Group Holdings Limited (In Liquidation) (“Torque”) BVI Company Registration Number: 2024611

I refer to the Circular dated 15 March 2021 (“2nd Circular”), in which the Provisional Liquidators provided creditors an update on progress since their appointment and findings from their preliminary investigations.

Unless otherwise defined herein, capitalised terms used in this circular shall have the same meanings as those defined in the 2nd Circular.

The purpose of this circular (“3rd Circular”) is to provide creditors with an update on the Provisional Liquidators’ progress since the 2nd Circular and next steps.

A. Appointment of Joint Liquidators

On 18 March 2021, the Provisional Liquidators were appointed as Joint Liquidators (“Liquidators”) of Torque pursuant to an order of the Eastern Caribbean Supreme Court of the British Virgin Islands (“BVI Court”) dated 18 March 2021 (“Order”) – this means that Torque is now in liquidation rather than provisional liquidation. A copy of the Court Order is now available and is enclosed (case number BVIHCCOM2021/0031).

B. Role and Responsibilities of the Liquidators

The roles and responsibilities of the Liquidators are set out in the British Virgin Islands (the “BVI”) Insolvency Act, 2003 (“Act”) and as provided in the Order appointing them. Under section 186 of the Act, the Liquidators have all the rights and powers to the extent necessary to maintain the value of the assets and to carry out the functions for which they were appointed. Additionally, as officers of the court, the Liquidators may apply to the BVI Court at any time for directions with respect to matters arising in the liquidation.

Under section 178 of the Act, the Liquidators are required to advertise their appointment in accordance with the Rules. Notices have been advertised in the Business Times in Singapore and the BVI Beacon and the BVI Gazette.

Creditors Meeting and Town Hall

Pursuant to section 183 of the Act, Liquidators appointed by the Court are not required to call a meeting of creditors unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

At this stage, the Liquidators do not intend to convene a formal liquidation creditors' meeting where creditor claims are first reviewed and assessed – this would be a costly and time-consuming process which would divert the Liquidators' resources from its primary focus of investigation and recovering assets. A formal creditors meeting can occur at a later stage when more is known about Torque's assets.

Although a formal meeting is not proposed at this time, the Liquidators intend to convene a virtual town hall to provide creditors an update on the liquidation and present preliminary findings that can be shared from our investigations. In order for the creditors' town hall to be as useful as possible, we require time to progress our investigations – we will contact creditors with details of the town hall in coming weeks. Separately, the Liquidators will continue to update all parties through circulars as and when meaningful progress has been made and material events occur.

Preliminary report

Under section 226 of the Act, the Liquidators of Torque are required to prepare a preliminary report within 60 days of the commencement of the Liquidation, covering, to the best of our knowledge, a description of the assets and liabilities of Torque and possible claims under the Act. The report will be circulated to all of Torque's creditors and filed with the BVI Court. The Liquidator may apply to the BVI Court to extend the 60-day period if that is necessary.

C. Investigations Update

Legal strategy and Recovery options

As mentioned in the 2nd Circular, the Liquidators identified Crypto Assets that appear to have been transferred without proper authority by or at the direction of Torque's former Chief Technology Officer ("CTO"), Wu Zhongyi ("Zee"). The Liquidators have been working with its legal advisors, Rajah & Tann Singapore LLP, in regard to legal strategy and recovery options.

On 19 March 2021, a successful application was made to the General Division of the High Court of the Republic of Singapore for an Order of Court, which restrains Zee from disposing of, dealing with, or diminishing the value of any of his assets whether they are in or outside Singapore, whether in his own name or not and whether solely or jointly owned up to the value of USD 343.7 million (the "Mareva Injunction").

Following the Mareva Injunction, the Liquidators have taken immediate steps to issue letters to all relevant stakeholders giving notice of the Mareva Injunction, and to serve the Mareva Injunction on Zee himself.

Possible further claims, including against other parties, are being contemplated. The Liquidators will provide you material updates when appropriate and where confidentiality permits - it is important that the Liquidators do not compromise their investigation or potential routes to recoveries by disclosing certain recovery efforts publicly.

Tracing of Assets

The Liquidators' continue to conduct significant Crypto Asset tracing activities – set out below are some high-level updates on the Liquidators' investigations:

- **Crypto Assets** – working with Kroll Group's cyber team, the Liquidators are in the process of reviewing billions of transactions to establish the breakdown of leveraged trading losses compared to misappropriated assets. As a part of this, Kroll's cyber team is also investigating and tracing certain digital wallets addresses that received material withdrawals from Torque's Binance account; and
- **Relevant Parties** – the Liquidators are also conducting investigations into Torque's management and related parties to establish each of their deposits, withdrawals and any profit share from the Crypto Assets.

D. Torque Personal Wallet

The Crypto Assets currently in the control of the Liquidators relate to Trading Wallet balances of Torque's customers. Separately, the Liquidators understand that Torque customers were able to have their Personal Wallet Crypto Assets 'hosted' on Torque's main application (website or mobile application). As a result of the freezing of Torque's application generally, and the insolvency of Torque, Torque customers' access to these Personal Wallets has been restricted. The Liquidators are currently working to resolve issues in respect of these Personal Wallet balances and will provide an update once it is able to.

E. Common Questions and Answers

The Liquidators' answers to common customers queries continue to be consolidated and issued to customers in Circulars or the Investor Q&A uploaded on Borrelli Walsh's website at www.borrelliwalsh.com/creditors.

For any urgent customer, creditor and media enquiries, please contact the Liquidators at: torque@borrelliwalsh.com.

Sincerely,

Philip Smith



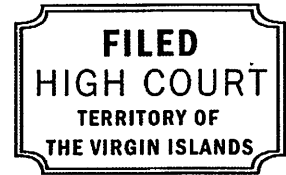
Joint Liquidator
Torque Group Holdings Limited
(In Liquidation)

Investor Q&A

No.	Category	Question	Answer
1	Claims	When can I get my money back?	Torque has entered Liquidation and all Torque user accounts will remain frozen until all legal issues relating to them are determined.
2	Claims	What do I need to do to get my money back?	
3	Claims	Can I withdraw my investment now?	The Liquidators are not legally capable of repaying any Torque customers until they have properly verified all 14,000 customer claims and completed at least their preliminary investigations and the BVI Court directs distributions to be made. Given the number of customers and the complexity of Torque's business, these processes will be challenging.
4	Claims	Can I still recover my money?	
5	Claims	What information do you need to speed up my refund?	
6	Claims	Is there a repayment scheme?	The Liquidators intend to provide an estimated timeline for securing / realising Torque's cryptocurrency assets and verifying creditor claims in coming weeks.
7	Claims	Are there any forms to fill in to recover my money?	
8	Claims	How much are we expecting to get back from the liquidation?	
9	Claims	Why can't I access or recover money from my personal wallet?	It is too early to predict with any accuracy the timing or amount(s) of distributions to creditors. In the event that no further assets can be recovered by the Liquidators from related parties or third parties, a nominal distribution to creditors may be possible during 2021.
10	Claims	Torque management has promised to repay all deposits from 8 and 9 February 2021.	
11	Future Updates	What do I do now?	However, in the event that the Liquidators investigations identify legal claims and assets to recovery from related or third parties that increase the return to creditors, this will involve litigation across multiple jurisdictions and take more time. At this stage, it is too early to determine the timing and quantum of any distribution to creditors. Regular updates ("Circulars") will be sent via email and uploaded on to Borrelli Walsh's website (https://www.borrelliwalsh.com/creditors/)
12	Future Updates	Where will we receive updates from now on?	
13	Future Updates	Do you have updates on the company?	

14	Future Updates	How do I sign up for the mailing updates on the recovery process?	If you have not received the Circular via email, please contact us via torque@borrelliwalsh.com to be added into the mailing list.
15	Liquidation	What does a liquidation mean?	<p>A company is placed in liquidation when it is insolvent or when the Court determines it is just and equitable for the company to be placed into liquidation.</p> <p>Refer to section 2) of the 2nd Circular for the role and obligations of liquidators.</p>
16	Liquidation	Why is my money from Torque being used to pay liquidator fees?	<p>At this stage, the Liquidators have not used any of the Torque's Crypto Assets to pay liquidators' fees.</p> <p>However, as a matter of BVI Insolvency law, liquidators are typically allowed to use company assets in order to pay their reasonable and approved liquidation fees and expenses.</p> <p>This is a necessary mechanism to allow an independent party who acts for the benefit of all creditors to undertake the work necessary to collect a company's assets, investigate and pursue claims and distribute recoveries to creditors. The Liquidators are mindful that they are appointed by the Court with duties to the Court and stakeholders.</p>
17	Liquidation	How long will this process take?	<p>It is too early to determine how long the liquidation of Torque will take to complete. A liquidation of this size and complexity, that will likely involve substantial litigation and asset recovery work across multiple jurisdictions, will not be a short process.</p> <p>The Liquidators will provide an estimated timeline for securing / realising Torque's Crypto Assets and verifying creditor claims as soon as practical and appropriate.</p> <p>Regular updates ("Circulars") will be sent via email and uploaded on to Borrelli</p>

			Walsh's website (https://www.borrelliwalsh.com/creditors/)
18	Investigations	Is this some kind of scam?	Refer to 'Section F. Preliminary Investigations' of our 2 nd Circular.
19	Investigation	Is there any action being taken against the offending former employee?	
20	Trading	Will the company start trading again?	<p>Torque ceased trading immediately on the appointment of the Provisional liquidators.</p> <p>On the basis that Torque is clearly insolvent (creditor claims currently greatly exceed assets), absent a material change or a recovery of all or substantially all of Torque's missing assets, it will not likely ever recommence trading.</p>



IN THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION
CLAIM NO. BVIHC (COM) 2021/0031

Submitted Date:22/03/2021 09:19

Filed Date:22/03/2021 09:19

Fees Paid:72.59

IN THE MATTER OF THE INSOLVENCY ACT 2003
AND IN THE MATTER OF TORQUE GROUP HOLDINGS LIMITED

BETWEEN:

BERNARD ONG HOCK FONG

Applicant

And

TORQUE GROUP HOLDINGS LIMITED

Respondent

ORDER

BEFORE: The Honourable Mr Justice Gerhard Wallbank (Ag.)

DATE: 18 March 2021

ENTERED: 26 March 2021

UPON THE ORIGINATING APPLICATION OF Bernard Ong Hock Fong (the "Applicant") dated 26 February 2021 to appoint joint liquidators over Torque Group Holdings Limited (the "Company") pursuant to paragraphs 159(1)(a), 162(1)(a) and/or (b) and 162(2)(c) of the Insolvency Act, 2003

AND UPON CONSIDERING the Affidavit of Bernard Ong Hock Fong dated 26 February 2021, with Exhibit BOHF-1 thereto, and the Second Affidavit of Bernard Ong Hock Fong dated 12 March 2021, with Exhibit BOHF-2 thereto, filed in support of the Originating Application

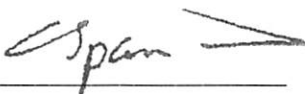
IT IS HEREBY ORDERED THAT:

1. The Applicant be granted the leave of this Honourable Court to make this Application for the appointment of joint liquidators over the Company.
2. Philip Smith, of Borrelli Walsh, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, British Virgin Islands VG 1110 and Jason Kardachi of Borrelli Walsh, #10-62, 1 Raffles Place Tower

2, Singapore 048616 be appointed joint liquidators (together, the “Joint Liquidators”) of the Company.

3. The Joint Liquidators be given the powers set out under the Insolvency Act, 2003 (the “Act”), in particular the powers in section 186 and Schedule 2 of the Act, including exercisable as set out in the Annex to this Order with the specific additional provisions that:
 - a. the Joint Liquidators may commence proceedings in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained; and
 - b. the Joint Liquidators may seek recognition of their appointment as joint liquidators in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained;
4. The costs of and occasioned by this Application be paid out of the assets of the Company as an expense of the Liquidation.
5. There be permission to apply.

BY ORDER OF THE COURT



Dep. REGISTRAR



ANNEX

SCHEDULE 2

(Section 186 Insolvency Act, 2003)

1. Power to pay any class of creditors in full.
2. Power to make a compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging that they have any claim against the company, whether present or future, certain or contingent, ascertained or not.
3. Power to compromise, on such terms as may be agreed
 - (a) calls and liabilities to calls, debts and liabilities capable of resulting in debts, and claims, whether present or future, certain or contingent, ascertained or not, subsisting or supposed to subsist between the company and any person; and
 - (b) questions in any way relating to or affecting the assets or the liquidation of the company; and take security for the discharge of any such call, debt, liability or claim and give a complete discharge in respect of it.
4. Power to commence, continue, discontinue or defend any action or other legal proceedings in the name and on behalf of the company including, without limiting the foregoing, the power to:
 - (a) commence proceedings in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained; and
 - (b) seek recognition of their appointment as joint liquidators in any jurisdiction in which they reasonably believe assets of the Company may be located or in which they reasonably believe information leading to locating assets of the Company may be obtained;.
5. Power to carry on the business of the company so far as may be necessary for its beneficial liquidation.
6. Power to sell or otherwise dispose of property of the company.
7. Power to do all acts and execute, in the name and on behalf of the company, any deeds, receipts or other document.
8. Power to use the company's seal.

9. Power to prove, rank and claim in the bankruptcy, liquidation, insolvency or sequestration of any member or past member for any balance against his estate, and to receive dividends, in the bankruptcy, liquidation, insolvency, sequestration or in respect of that balance, as a separate debt due from the bankrupt or insolvent, and rateably with the other separate creditors.

10. Power to draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the company with the same effect with respect to the company's liability as if the bill or note had been drawn, accepted, made or indorsed by or on behalf of the company in the course of its business.

11. Power to borrow money, whether on the security of the assets of the company or otherwise.

12. Power to take out in his official name letters of administration to any deceased member or past member or debtor, and to do any other act necessary for obtaining payment of any money due from a member or past member or debtor, or his estate, that cannot conveniently be done in the name of the company.

For the purpose of enabling the liquidator to take out letters of administration or do any other act under this paragraph, to be due to the liquidator himself.

13. Power to call meetings of creditors or members for

- (a) the purpose of informing creditors or members concerning the progress of or matters arising in the liquidation;
- (b) the purpose of ascertaining the views of creditors or members on any matter arising in the liquidation; or
- (c) such other purpose connected with the liquidation as the liquidator considers fit.

14. Power to appoint a solicitor, accountant or other professionally qualified person to assist him in the performance of his duties.

15. Power to appoint an agent to do any business that the liquidator is unable to do himself, or which can be more conveniently done by an agent.

IN THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION
CLAIM NO. BVIHC (COM) 2021/0031

IN THE MATTER OF THE INSOLVENCY ACT, 2003
AND IN THE MATTER OF TORQUE GROUP
HOLDINGS LIMITED

BETWEEN:

BERNARD ONG HOCK FONG

Applicant

And

TORQUE GROUP HOLDINGS LIMITED

Respondent

ORDER

Campbells
Floor 4, Banco Popular Building,
Road Town, Tortola, VG1110,
British Virgin Islands
Tel: +1 284 494 2423
Reference: 19511-34611
Legal Practitioners for the Applicant

Annexure 3
Letters to the BVI Registry Corporate Affairs

By electronic lodgement

8 March 2021

Our ref: JK/MO/KBM/PHS/DR/1008153

Registry of Corporate Affairs
British Virgin Islands Financial Services Commission
Pasea Estate
P.O. Box 418
Road Town, Tortola, VG 1110
British Virgin Islands

Dear Sirs

**Torque Group Holdings Limited (In Provisional Liquidation)
Appointment of Provisional Liquidators**

Jason Kardachi and I were appointed Joint Provisional Liquidators ("Provisional Liquidators") of Torque Group Holdings Limited ("Torque" or the "Company") pursuant to an order of the Eastern Caribbean Supreme Court of the British Virgin Islands dated 2 March 2021 ("Order"). A copy of the Order is enclosed.

Should you have any queries or require any further information, please contact either Mark O'Reilly or Kent McParland of this office. Their contact details are set out below:

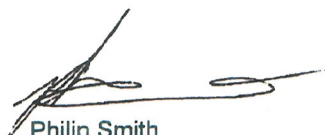
Mark O'Reilly

Office Direct : +65 6632 0744
Mobile : +65 9824 4306
Email : mo@borrelliwalsh.com

Kent McParland

Office Direct : +1 284 340 5881
Mobile : +1 284 340 2532
Email : kbm@borrelliwalsh.com

Yours faithfully



Philip Smith
Joint Provisional Liquidator
Torque Group Holdings Limited (In Provisional Liquidation)

Enclosure

By electronic lodgement

31 March 2021

Our ref: JK/MO/KBM/PHS/DR/1008727

Registry of Corporate Affairs
British Virgin Islands Financial Services Commission
Pasea Estate
P.O. Box 418
Road Town, Tortola, VG 1110
British Virgin Islands

Dear Sirs

Torque Group Holdings Limited (In Liquidation)
Company Registration No: 2024611

Appointment of Joint Liquidators

I refer to our letter dated 8 March 2021 whereby Jason Kardachi and I were appointed Joint Provisional Liquidators ("Provisional Liquidators") of Torque Group Holdings Limited ("Torque" or the "Company").

Mr Kardachi and I have now been appointed Joint Liquidators ("Liquidators") pursuant to an order of the Eastern Caribbean Supreme Court of the British Virgin Islands dated 18 March 2021 ("Order"). A copy of the Order is enclosed.

Should you have any queries or require any further information, please contact myself or Dominique Rhodes of this office. Our contact details are set out below:

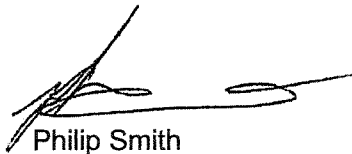
Philip Smith

Office Direct : +1 284 340 5882
Mobile : +1 284 346 8325
Email : phs@borrelliwalsh.com

Dominique Rhodes

Office Direct : +1 284 340 5888
Mobile : +1 284 343 2758
Email : dar@borrelliwalsh.com

Yours faithfully



Philip Smith
Joint Liquidator
Torque Group Holdings Limited (In Liquidation)

Enclosure

Annexure 4
Advertisements

BVI Beacon
Virgin Islands Gazette
Singapore Business Times

**Happy Face Limited
(IN VOLUNTARY LIQUIDATION)**

Notice is hereby given that in accordance with the British Virgin Islands Business Companies Act, 2004: a) Happy Face Limited is in dissolution; b) The date of commencement of the dissolution is the 24th March, 2021; c) Sergio De Jesus Elizondo Muñoz of Rio De La Plata 309 OTE, San Pedro Garza Garcia, Nuevo Leon, Mexico, 66220 is the Liquidator. Sgd: Sergio De Jesus Elizondo Muñoz, Liquidator. Dated: 26 March, 2021

**Yongda Employee Incentive Company Limited
(In Voluntary Liquidation)
Company No.: 1700424**

NOTICE is hereby given pursuant to Section 204, subsection (1) (b) of the BVI Business Company Act, 2004 that the Company is in voluntary liquidation. The voluntary liquidation commenced on 25th March, 2021. The Liquidators are Yeung Kam Chi and Hui Ka Po Maria both of Level 13, 1 Queen's Road Central, Hong Kong. Dated this 26th March, 2021. For and on behalf of Yongda Employee Incentive Company Limited

**South Pacific Capital Inc.
(In Voluntary Liquidation)
Company No. 511317**

Notice is hereby given that pursuant to Section 204(1)(b) of the BVI Business Companies Act, 2004 that the Company is in voluntary liquidation. The voluntary liquidation commenced on 19th March, 2021. The Liquidator is Alonso dos Passos of Caminho de Ferro. Nu. 183 A, Funchal, Madeira Island, Portugal. Dated this 19th day of March 2021. Sgd: Alonso dos Passos

**IDEI INTERNATIONAL LTD.
(In Voluntary Liquidation)
Company No. 1705759**

NOTICE is hereby given pursuant to Section 204, subsection (b) of the BVI Business Companies Act, 2004 that the Company is in voluntary liquidation. The voluntary liquidation commenced on the 29th day of March, 2021. The Liquidator is Charles Andriamaro of Anse Aux Pins, Victoria, Seychelles. Dated this 29th day of March, 2021. Sgd: Charles Andriamaro, Voluntary Liquidator.

**NOTICE OF APPOINTMENT OF THE
LIQUIDATOR OF
Euro Valley Assets Ltd
BC No. 1532643**

Pursuant to Section 204(1)(b) of the BVI Business Companies Act, 2004, (as amended), NOTICE is hereby given that Kypros Loucas whose address is at 68 Demokratias Av., Agios Dometios, 2365 Nicosia, Cyprus has been appointed as the voluntary liquidator of the Company by Written Resolutions of the Shareholder dated March 23, 2021. Dated: March 23, 2021. Sgd: Kypros Loucas, Voluntary Liquidator

**MELENEC ASIA INDUSTRIAL SUPPLIES LTD.
(In Voluntary Liquidation)
Company No. 1066279**

NOTICE is hereby given pursuant to Section 203, subsection 3 of the BVI Business Companies Act, 2004 that the Company is in voluntary liquidation. The voluntary liquidation commenced on 26 March, 2021. The Liquidator is CHENG KA FONG of Room B, 10/F, Tower A, Billion Centre, 1 Wang Kwong Road, Kowloon Bay, Kowloon, Hong Kong. Dated 29 March, 2021. Sgd: CHENG KA FONG, Voluntary Liquidator

**Quanta Capital Management Ltd.
(IN VOLUNTARY LIQUIDATION)
BC No. 440681**

NOTICE is hereby given pursuant to section 204(1)(b) of the BVI Business Companies Act, 2004 that the company is in voluntary liquidation. The voluntary liquidation commenced on the 26th day of March, 2021. The Liquidator HSU, CHIA-YU of 3F., No.92, Sec. 5, Xinwu Rd., Wulai Dist., New Taipei City 233001, Taiwan. DATED: 26th March, 2021. Sgd: HSU, CHIA-YU

**THE EASTERN CARIBBEAN SUPREME COURT
IN THE HIGH COURT OF JUSTICE
VIRGIN ISLANDS
COMMERCIAL DIVISION
CLAIM NO. BVHC(COM) 0025 OF 2021**

**IN THE MATTER OF ATLANTIC VENTURE INC.
AND IN THE MATTER OF THE INSOLVENCY ACT, 2003**

NOTICE

NOTICE IS HEREBY GIVEN that an application for the appointment of joint liquidators to **ATLANTIC VENTURE INC.** (the *Company*) whose registered office is located at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, British Virgin Islands, VG1110 was presented to the High Court of Justice of the British Virgin Islands on 10 February 2021 by CHANG YEE MENG MALCOLM of 20 Sin Ming Lane, #03-52 Midview City, Singapore 573968 C/O Harneys, Craigmuir Chambers, P.O. Box 71, Road Town, Tortola, British Virgin Islands, VG1110. The application will be heard on Monday 19 April 2021 at 10am or as soon as the court is available thereafter at the Commercial Court, High Court of Justice, the Court House, Road Town, Tortola, British Virgin Islands (remotely, via Zoom, pursuant to paragraph 5, Practice Direction No. 5 of 2020 COVID-19 Emergency Measures (3rd Re-Issue)).

Any person intending to appear at the hearing of the application, whether to support or oppose the application shall give notice of his intention in the manner stated below pursuant to Rule 162 of the Insolvency Rules 2005. A copy of the application will be furnished on request to any director, member or creditor of the Company by the undersigned on payment of the appropriate charge for the same.

Dated this 1st day of April 2021

HARNEY WESTWOOD & RIEGELS
Legal practitioners for the Applicant
Craigmuir Chambers
P.O. Box 71
Road Town, Tortola
British Virgin Islands, VG 1110
Tel: 284 494 2233
(Ref: 054844.0002/SWC/JWC)

NOTE:- any person who intends to appear on the hearing of the application must send to the above named notice in writing of his intention so to do. The notice must state the name and address of the person giving notice and his contact details, if any; whether it is his intention to support or oppose the application; and, if he is a creditor, the amount of his debt or, if he is not a creditor, the grounds upon which he supports or opposes the application. The notice must be sent so as to reach the above named by no later than **16.00 hours (BVI time) on Friday 16 April 2021** or on the business day before the hearing in the event that it is adjourned.

IN THE MATTER OF THE BVI INSOLVENCY ACT, 2003 ("ACT")

**TORQUE GROUP HOLDINGS LIMITED (IN LIQUIDATION)
COMPANY NUMBER: 2024611
("COMPANY")**

NOTICE IS HEREBY GIVEN pursuant to section 178(1) of the Act, that on 18 March 2021, the Company was placed into liquidation by order of the Eastern Caribbean Supreme Court in the High Court of Justice British Virgin Islands and that Jason Kardachi of Borrelli Walsh Pte Limited, One Raffles Place, Tower 2, #10-62, Singapore, 048616 and Philip Smith of Borrelli Walsh (BVI) Limited, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, VG1110, British Virgin Islands were appointed as Joint Liquidators ("Liquidators") of the Company.

FURTHER NOTICE IS HEREBY GIVEN pursuant to Section 183 of the Act, that a meeting of creditors of the Company will not be held under section 179 of the Act, having regard to the assets and liabilities of the Company and that a creditors' meeting will not be called unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

We will write to creditors outlining the creditors' claim verification and proof of debt (POD) process in due course.

Dated: 24 March 2021

Philip Smith
Joint Liquidator

Contact for enquiries:

Name: Liquidators, Torque Group Holdings Limited
Email: torque@borrelliwalsh.com
Address: c/o Borrelli Walsh
3rd Floor, Commerce House
Road Town,
British Virgin Islands

**Notice of Appointment of a Liquidator under Section 204 of the BVI Business Company Act.
Portesham Limited
(IN VOLUNTARY LIQUIDATION)
Company No. 1470738**

NOTICE is hereby given pursuant to Section 204, subsection (b) of the BVI Business Companies Act, 2004 that the Company is in voluntary liquidation. The voluntary liquidation commenced on Friday, 26 March 2021. The Liquidator is Andreas Kryftis of 8, Markou Drakou, Kokkinotrimithia, 2660, Nicosia, Cyprus. Dated Friday, 26 March 2021. Sgd: Andreas Kryftis, Voluntary Liquidator

IN THE MATTER OF THE BVI INSOLVENCY ACT, 2003 (“ACT”)

**TORQUE GROUP HOLDINGS LIMITED (IN LIQUIDATION)
COMPANY NUMBER: 2024611
 (“COMPANY”)**

8194 NOTICE IS HEREBY GIVEN pursuant to Section 178(1) of the Act, that on 18 March 2021, the Company was placed into liquidation by order of the Eastern Caribbean Supreme Court in the High Court of Justice British Virgin Islands and that Jason Kardachi of Borrelli Walsh Pte Limited, One Raffles Place, Tower 2, #10-62, Singapore, 048616 and Philip Smith of Borrelli Walsh (BVI) Limited, 3rd Floor Commerce House, P.O. Box 3339, Road Town, Tortola, VG1110, British Virgin Islands were appointed as Joint Liquidators (“Liquidators”) of the Company.

FURTHER NOTICE IS HEREBY GIVEN pursuant to Section 183 of the Act, that a meeting of creditors of the Company will not be held under Section 179 of the Act, having regard to the assets and liabilities of the Company and that a creditors’ meeting will not be called unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

We will write to creditors outlining the creditors’ claim verification and proof of debt (POD) process in due course.

Dated: 24 March 2021

Philip Smith
Joint Liquidator

Contact for enquiries:

Name: Liquidators, Torque Group Holdings Limited
Email: torque@borrelliwalsh.com
Address: c/o Borrelli Walsh
3rd Floor, Commerce House
Road Town,
British Virgin Islands



A hiring sign in front of a Target store in San Rafael, California, recently. The US March jobs report will mark a tipping point, when the economy clearly shifts into a much faster pace of growth. PHOTO AFP

US set for big jobs surge with more vaccinated and economy picks up

New York The US labour market shifted into a higher gear in March as the nation made progress in efforts to put the Covid-19 pandemic in the rear-view mirror. Economists project a government report will show the largest employment increase in months as vaccinations increase and economic activity, including robust manufacturing, picks up. The median estimate in a Bloomberg survey of economists is for the unemployment rate to fall to 6 per cent as non-farm payrolls rise 643,000. Policymakers including Federal Reserve chair Jerome Powell and Treasury Secretary Janet Yellen expressed confidence last week in the path of the labour-market rebound. While the central bank sees unemployment declining to 4.5 per cent by year end - a relatively muted forecast - Mr Powell emphasised the "highly desirable outcome" of workforce participation expanding. Meanwhile, Dr Yellen said supplemental unemployment aid likely wouldn't be necessary later this year. More than two million Americans are getting vaccinated each day, and President Joe Biden has said states should make every adult eligible for a shot by May 1. At the same time, many states are loosening restrictions on businesses and activity. Higher-frequency data out last week

also pointed to a recovering jobs market, as applications for regular unemployment insurance dropped to a pandemic low. Other parts of the economy have already reached or even surpassed pre-pandemic levels. After a slew of positive regional manufacturing data points, the Institute for Supply Management's factory index, out on Thursday, will give a look at the state of the sector in March. In February, it surged to a three year high. Analysts pointed to economic data that have already started to stir vigorously ahead of relaxed social distancing measures, broad vaccinations and the latest round of fiscal stimulus. They say from retail activity to industrial production, signs of a robust re-acceleration have been increasingly plentiful over the past few months. Even so, the March jobs report will mark a tipping point, whereby the economy clearly shifts into a much faster pace of growth. Mr Biden on Wednesday will be presenting his longer term economic programme, dubbed "Build Back Better", spanning infrastructure and technology investments to a revamp of the tax code to help address widening income inequality. In advance of Mr Biden's speech in Pittsburgh, his aides have prepared some US\$2.3 trillion worth of proposals, according to people familiar with the matter. BLOOMBERG

Defence chiefs of 12 countries condemn Myanmar for violence

90 people - including several children - were killed after security forces opened fire on protesters on Saturday

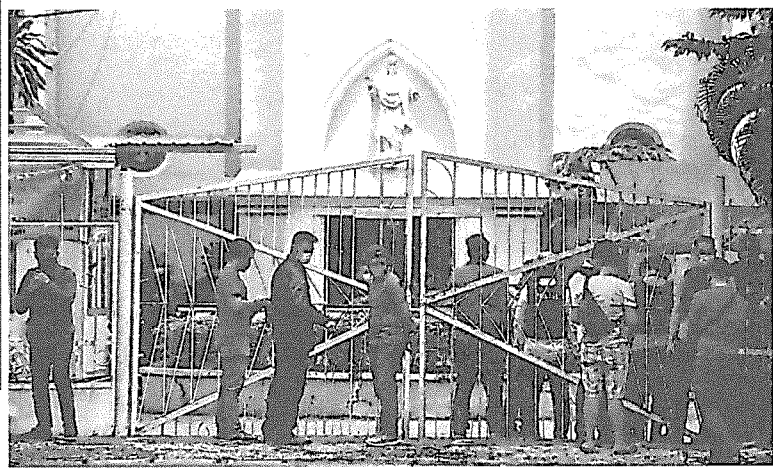
YANGON DEFENCE chiefs from a dozen countries on Sunday jointly condemned the bloodbath in Myanmar - a day earlier, when at least 90 people - including several children - were killed after security forces opened fire on anti-coup protesters. Myanmar has been in turmoil since the generals ousted and detained civilian leader Aung San Suu Kyi, triggering mass protests demanding a return to democracy. The junta on Saturday staged a major show of might for its annual Armed Forces Day as the death toll since the Feb 1 coup climbed to at least 423, according to a local monitoring group. The defence ministers of 12 countries including the United States, Britain, Japan and Australia condemned the Myanmar military's use of lethal force against civilians. "A professional military follows international standards for conduct, and is responsible for protecting - not harming - the people it serves," the joint statement said. "We urge the Myanmar Armed Forces to cease violence and work to restore respect and credibility with the people of Myanmar that it has lost through its actions."

Funerals were held on Sunday for some of the victims, after the bloodiest day since the putsch. In Mandalay, the family of Aye Ko, a father of four, commemorated his life at a service after he was killed overnight. "We are told by the neighbours that Aye Ko was shot and thrown into the fire," said a relative. "He was the only one who fed the family. Losing him is a great loss for the family." Despite the dangers, protesters hit the streets again in the cities of Bago and Monywa, and in the small town of Moe Kaung in Kachin State, according to local media. A day earlier, violence erupted across the country with the military using live rounds in nine regions, including the largest city Yangon, local monitoring group Assistance Association for Political Prisoners (AAPP) said. By sunset, AAPP said, at least 90 people had been killed. Local media, however, put the death toll higher at 114. "Junta forces shot machine guns into residential areas, resulting in many civilians, including six children between 10 and 16 years old, killed," AAPP said. "The fact the illegitimate military regime is targeting children is a grave act of inhumanity."

Rebels in eastern Myanmar's Karen state said they had been targeted in air strikes late Saturday, hours after the ethnic armed group seized a military base. Hsa Moo, an ethnic Karen and human rights activist, said three people were killed and at least eight were injured. It was the first air assault in years in the state, and targeted the Fifth Brigade of the Karen National Union (KNU) - one of the country's largest armed groups - which says it represents the ethnic Karen people. The junta did not immediately comment, and there was no official confirmation of any casualties. There was a grand parade of troops and military vehicles in the capital Naypyidaw on Saturday where junta leader Min Aung Hlaing defended the coup and pledged to yield power after new elections. But he also issued a threat to the anti-coup movement, warning that acts of terrorism which can be harmful to state tranquillity and security were unacceptable. Armed Forces Day commemorates the start of local resistance to the Japanese occupation during World War II, and usually features a military parade attended by foreign military officers and diplomats.

The junta announced that eight international delegations attended Saturday's event, including those of China and Russia - with a state media broadcast showing Russian deputy defence minister Alexander Fomin in the audience. The US embassy in Yangon urged American citizens to limit their movements on Sunday. "If you must travel, move cautiously and ensure you have the ability to communicate with loved ones while travelling," American Citizen Services tweeted. The warning came a day after the US cultural centre in Yangon had shots fired at it on Saturday. Overnight, at the Miss Grand International beauty pageant in Bangkok, a fearful Myanmar contestant, Han Lay, pleaded for spare. "I deeply feel sorry for all the people who have lost their lives on the streets," she said in an emotional address, before singing Michael Jackson's *Heal the World*. "Please help Myanmar, we need your urgent international help right now." The Myanmar embassy in London on Sunday confirmed the ambasador met Ms Suu Kyi's youngest son Kim, 44, last week, who reiterated a request to speak to his mother by telephone. AFP

NOTICES
Tel: 6289-8822 | Email: notices@spk.com.sg | www.spkclass.com.sg
IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE
Companies Winding Up)
No. 128 of 2019
IN THE MATTER OF THE COMPANIES ACT (CAP 50) AND
IN THE MATTER OF WRAPSTYLE SINGAPORE PTE. LTD. (IN LIQUIDATION)
(Singapore UEN 201418546D)
NOTICE OF MEETING OF CREDITORS
Take notice that a meeting of creditors in the above matter will be held by way of electronic means on the 12th day of April 2021 at 2.00 pm.
AGENDA
1) To update on the status of liquidation;
2) To consider and if thought fit, to appoint a committee of inspection; and
3) Any other business.
Dated this 29th day of March 2021
Ng Kian Kiat
Lin Yueh Hung
Liquidators
403-08 Wiske Edge
Singapore 228995
RSM



Indonesian police examining the site outside the church after the bombing; the congregation was concluding their mass inside the church on the island of Sulawesi when the attackers detonated at least one device outside, police say. PHOTO AFP

Suicide bombing at Indonesian Catholic church wounds 14

Jakarta TWO suicide bombers attacked a Catholic church in the Indonesian city of Makassar on Sunday, wounding 14 people on the first day of the Easter Holy Week, officials said. The congregation was concluding their mass inside the church on the island of Sulawesi when the attackers detonated at least one device outside, police said. The two bombers were the only fatalities. "I strongly condemn this act of terrorism and I have ordered the police chief to thoroughly investigate the perpetrators' networks and tear down the networks to their roots," President Joko Widodo said in an online broadcast following the attack. Indonesian police have identified one of the bombers of the church as

part of a group involved in a militant attack in the Philippines in 2016, police chief Listyo Sigit Prabowo told reporters. Authorities are also looking into whether the attack was linked to recent arrests of suspected militants, national police spokesman Argn Yuwono said. In January, a counter-terrorism unit raided a militant hideout in Makassar and killed two men suspected by police of involvement in twin bombings at a Philippine church in 2019 that killed more than 20 people. Mr Joko urged people to remain calm and said every body would worship "without fear." William Tulak, a priest at the church, told Indonesian media that a bomber tried to enter the church grounds on a motorbike, but had been stopped by a security guard.

Security camera footage showed a blast that blew flame, smoke and debris into the middle of the road. Ansaheed Mbat, former chief of the National Counterterrorism Agency, said the perpetrators "want to show that they still exist and use this to propagate their group and recruit new members," he said. Police blamed the Islamic State inspired Jamaah Ansharut Daulah group for suicide attacks in 2018 on churches and a police post in the city of Surabaya that killed over 30 people. Makassar, Sulawesi's biggest city, reflects the religious makeup of Indonesia, the world's largest Muslim-majority country with a substantial Christian minority and followers of other religions.

"Whatever the motive is, this act is justified by any religion because it harms not just one person but others, too," Yaqut Cholli Qoumas, Indonesia's religious affairs minister, said in a statement. Gomar Galum, head of the Indonesian Council of Churches, described the attack as a "cruef incident" as Christians were celebrating Palm Sunday, and urged people to remain calm and trust the authorities. Indonesia's deadliest Islamist militant attack took place on the tourist island of Bali in 2002, when bombers killed 202 people, most of them foreign tourists. In subsequent years, security forces in Indonesia scored some major successes in tackling militancy, but more recently there has been a resurgence of militant violence. REUTERS

Australia ends pandemic wage subsidy despite job loss warnings

Sydney AUSTRALIA on Sunday ended a pandemic wage subsidy scheme despite official warnings that up to 150,000 people could lose their jobs as a result. The so-called jobkeeper scheme, which initially saw \$1.500 (\$51,542) a fortnight paid to staff via their employers, was announced last March after Australia imposed a nationwide shutdown that left thousands queuing outside unemployment offices. Treasurer Josh Frydenberg said

the programme had been an "economic lifeline" that has achieved the aim of saving lives and saving livelihoods over the past year. He told reporters in Melbourne there was "no doubt that there will be some businesses that will continue to do it though" but the subsidies were always designed to be "temporary". Australia's unemployment rate fell to 5.8 per cent in February - down from 7.5 per cent in July - but the Treasury estimates between 100,000 and 150,000 jobs could be lost as a result of the change.

Australian Council of Trade Unions president Michele O'Neil said many more workers were likely to see their hours and pay slashed. "1.1 million workers face an uncertain future without the Jobkeeper wage subsidy, which has prevented catastrophic job losses during the pandemic and is now being ripped away," she said. "Cutting off jobkeeper while so many workers are still reliant on it is both cruel and counter-productive to our economic recovery." At the height of the crisis, the scheme was supporting almost four million jobs.

Officials twice extended the programme over the past 12 months, albeit at lower rates as the spread of Covid-19 was brought under control and the economy began to recover. Australia has been relatively successful in managing the coronavirus - recording roughly 29,000 cases and less than 1,000 deaths to date - with recent outbreaks linked to border quarantine facilities generally being quashed quickly. Its economy tipped into recession in the first half of 2020 but grew 3.1 per cent in the September-December quarter. AFP

Annexure 5
Police Report of Mr Bernard Ong



We are filing this report on behalf of Torque Group Holdings Ltd. (British Virgin Islands Company No. 2024611) ("Torque Group"). Torque Group has engaged the services of Torque Technologies Co. Ltd (Vietnam Company Registration No. 0316214218) ("Torque Technologies" or "the Company") to develop IT services for Torque Group. Torque Technologies is providing IT services to Torque Group via the technological infrastructure of the IT Platform. Torque Technologies is a technology company providing algorithmic trading software to Torque Group and other companies (and their customers).

Neither company is domiciled, registered or present in Singapore. Neither company has business operations in Singapore (and therefore the licenses to operate in Singapore). The offences against these companies (and by implication, against funds belonging to international customers of these companies) did not occur in Singapore, but rather in Vietnam.

However, the suspected individual is a Singapore citizen ordinarily resident in Vietnam. The suspected individual is the former CTO of Torque Technologies, a Mr. Wu Zhongyi (alias. Zee Wu). Mr Wu's Singapore National Registration Identity number is S8329547C and his Singapore passport number is E6344566C.

Hence, we are filing this police report with the Singapore Police Force, as the suspected individual has gone missing and might surface in his country of citizenship or might travel on a passport issued by his country of citizenship.

On 9 February 2021 at 12:35AM, the management of Torque Technologies and Torque Group received a

Signature Of Officer Recording The Report: Not applicable	Signature Of Informant: The identity of the person making this report has been authenticated by SingPass. No signature is required.
Signature Of Interpreter: Not applicable	Date/Time: 14/02/2021 16:42
Officer In-Charge Of Case:	Classification Of Case:

Authentication Stamp



text message from the former Chief Technology Officer ("CTO") (the suspected individual described above) explaining significant trading losses incurred as a result of his dishonest and unauthorized, highly leveraged cryptographic-asset trading activities. He had not sought management approval for exceeding trading parameters set by Torque Technologies. He appears to have taken steps to mask the nature of these trades and the consequences thereof, from above-mentioned management. These unauthorised and dishonest crypto trades occurred on the trading accounts of Torque Technologies on the Binance crypto exchange platform (<https://www.binance.com>). Our internal investigations also show that there was an unauthorised withdrawal of approximately 72 BTC from such Binance account on direct instruction of the CTO, on 7 February 2021.

Upon this discovery, management of Torque Technologies and Torque Group took immediate steps in mitigation to suspend the trading activities in Vietnam and commenced a deep audit of the trading logs. We are in the process of preparing to return available funds to affected customers, unless such customers elect to remain with us.

The CTO has been uncontactable since his last text message to management on 9 February 2021.

The Company is still conducting its internal investigations to determine the period of time this unauthorised conduct went on for and whether there were any other types of dishonest conduct.

We are also exploring other legal avenues against this former employee and are in the process of filing a police report in Vietnam through local external counsel representation. As cryptographic assets are not regulated in Vietnam, law enforcement officers have preliminarily required us to file the report with a

Signature Of Officer Recording The Report: Not applicable	Signature Of Informant: The identity of the person making this report has been authenticated by SingPass. No signature is required.
Signature Of Interpreter: Not applicable	Date/Time: 14/02/2021 16:42
Officer In-Charge Of Case:	Classification Of Case:

Authentication Stamp



specialist tribunal which we re-opens after the Tet holiday period.

We will offer our full cooperation and assistance should the SPF require it - the CEO of Torque is based in Singapore.

Thank you.

Subjects Involved								
Suspect								
Person Name	Wu Zhongyi							
ID Type	NRIC NO	ID No	S8329547C					
Gender	Male	Age	38					
Race	Chinese	Language	English					
Occupation	Chief operating officer/General Manager	Mobile No	91006857					
Relation To Informant	Business Partner (CTO of Company)							
Property Information								
S/N	Item	Type	Brand	Model	Serial No/ IMEI No	Quantit y	Value	Description

Signature Of Officer Recording The Report: Not applicable	Signature Of Informant: The identity of the person making this report has been authenticated by SingPass. No signature is required.
Signature Of Interpreter: Not applicable	Date/Time: 14/02/2021 16:42
Officer In-Charge Of Case:	Classification Of Case:

Authentication Stamp



1	cryptographic assets	Stolen			NIL	1	Singapore Dollars 70000005 .00	cryptographic assets
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Signature Of Officer Recording The Report: Not applicable	Signature Of Informant: The identity of the person making this report has been authenticated by SingPass. No signature is required.
Signature Of Interpreter: Not applicable	Date/Time: 14/02/2021 16:42
Officer In-Charge Of Case:	Classification Of Case:

Authentication Stamp

Annexure 6
Draft Letter to Creditors May 2021

May 7, 2021

4th Circular to Creditors

Dear Sirs,

Torque Group Holdings Limited (In Liquidation) (“Torque”) BVI Company Registration Number: 2024611

I refer to the Circular dated 31 March 2021 (“3rd Circular”), in which the Liquidators provided creditors an update on progress since their appointment and findings from their preliminary investigations.

Unless otherwise defined herein, capitalised terms used in this circular shall have the same meanings as those defined in the 3rd Circular.

The purpose of this circular (“4th Circular”) is to provide creditors with an update on the Liquidators’ progress since the 3rd Circular.

A. Preliminary Report to Creditors

Pursuant to section 226 of the BVI Insolvency Act, 2003, the Liquidators of Torque are required to prepare a preliminary report to creditors (“Liquidators’ Report”). A copy of the Liquidators’ Report dated [7] May 2021 is enclosed.

The Liquidators emphasise paragraph [48] of the Liquidators Report – the Liquidators intend to shortly apply to the BVI Court for directions confirming that:

1. The Liquidators’ assessment of the ownership and legal entitlements is correct and appropriate in respect of cryptocurrency assets transferred by Users in relation to:
 - 1.1. Trading Wallets – these cryptocurrency assets are assets of Torque’s estate, in liquidation, with Users having corresponding creditor claims against Torque for the cryptocurrency assets that they were otherwise entitled to withdraw from their respective Trading Wallet accounts with Torque; and

- 1.2. Personal Wallets – these cryptocurrency assets are not assets of the Liquidation estate on the basis that legal and beneficial ownership was never transferred from Users to Torque;
2. The Liquidators are entitled to convert/realise Torque’s Trading Wallet Crypto Assets into US Dollars in order to preserve and protect Torque’s assets and in light of the fact that the cryptocurrencies are highly volatile and speculative in nature; and
3. The Liquidators are entitled to reactivate Torque’s Personal Wallet functionality to allow Users to withdraw these assets (which they have maintained legal and beneficial title for). It is unclear to the Liquidators what (if any) Crypto Assets continue to be held by Users in Personal Wallets, but the Liquidators would like to reinstate this function as a precaution.

If any creditors do not agree with the Liquidators’ assessment as set out above, they are encouraged to seek legal advice in relation to the Liquidators’ application.

B. Creditor Virtual Town Hall

Pursuant to section 183 of the Act, Liquidators appointed by the Court are not required to call a meeting of creditors unless 10 percent in value of the creditors of the Company give the Liquidators written notice requesting a meeting.

Although a formal meeting is not proposed at this time, the Liquidators hereby convene a Creditor Virtual Town Hall at **4:00 p.m. Singapore time, on [2-3 weeks from now]**. A web link to the Virtual Town Hall will be circulated to all known creditors shortly.

The objective of the Creditor Virtual Town Hall is to provide an update on the liquidation, present preliminary investigation findings to the extent that they are not commercially sensitive and to outline next steps.

C. Request for Nominations for Ad Hoc Creditor Committee

The Liquidators hereby request creditor nominations to participate in an informal ad hoc creditor committee (“Ad Hoc Creditor Committee”) for the Torque Liquidation.

The Ad Hoc Creditor Committee will not have any formal powers, however, will function as a consultative body whereby members will be provided updates on the Liquidators’ investigations, be consulted with, and their views sought in respect of legal recovery strategies. Membership on the Ad Hoc Creditor Committee will be an unpaid role and will require creditors to sign non-disclosure agreements.

If you are a creditor of Torque and wish to nominate yourself as a representative of the Ad Hoc Creditor Committee, please submit your nomination (“Nomination”) by email to the Liquidators **at torque@borrelliwalsh.com by no later than 5:00 p.m. Singapore time on [date 1 week before Creditor Town Hall]**.

For a creditor Nomination to be considered, it must meet the following criteria (“Nomination Criteria”):

Subject Line of Nomination Email

1. Marked - “Torque Liquidation – Nomination for Ad Hoc Creditor Committee”

Body of Nomination Email

2. Full KYC information including (a) first name, (b) last name, (c) date of birth and (d) nationality;
3. Claim value as at the Liquidation Date (18 March 2021) or as close a date as practicable in original cryptocurrency **and** US Dollar equivalent;
4. Details of your credentials, experience, skill or profession and an explanation as to why this will add value to the Ad Hoc Creditors Committee; and
5. Full details in respect of any other creditors you represent including full KYC information (set out at 2 above).

Whilst the Liquidators will endeavour to select members of the Ad Hoc Committee that are representative of the mix of the full creditor body, they will only likely appoint 5 to 10 members in total.

Whilst the Liquidators will be guided by the Nomination Criteria, the Liquidators reserve their rights to accept or reject any creditor Nomination to participate in the Ad Hoc Creditor Committee at their complete discretion. The Liquidators intend to notify the creditors selected to be members of the Ad Hoc Creditors Committee at the Virtual Town Hall.

For any urgent customer, creditor and media enquiries, please contact the Liquidators at: torque@borrelliwalsh.com.

Sincerely,

Jason Kardachi
Joint Liquidator
Torque Group Holdings Limited
(In Liquidation)