Liquidators' Seventh Report to Shareholders and Creditors of

Digital Asset Exchange Limited (in Liquidation)

Company number: 6261371
NZBN: 9429046068682

11 September 2026

Contents

Introduction

David Ian Ruscoe (IP#50) and Malcolm Russell Moore (IP#42) of Grant Thornton New Zealand Limited ("Grant Thornton") were appointed jointly and severally as Liquidators of Digital Asset Exchange Limited ("the Company") on 14 August 2023 at 2:00pm by a special resolution of the shareholders pursuant to section 241(2)(a) of the Companies Act 1993 ("the Act").

Liquidators of insolvent companies are required to be licensed insolvency practitioners. Information about the regulation of insolvency practitioners is available from the Registrar of Companies.

We have considered the Declaration of Independence, Relevant Relationships and Indemnities provided in our first report and confirm that there have been no changes to it.

We set out below our seventh report on the state of the affairs of the Company for the period from 15 February 2026 to 14 August 2026 to ("the Period") as required by section 255(2)(d) of the Act and regulation 7 of the Companies (Reporting by Insolvency Practitioners) Regulations 2020 ("the Regulations").

Restrictions

This report has been prepared by us in accordance with and for the purpose of section 255 of the Act and regulation 7 of the Regulations. This report is not intended for general circulation, nor is it to be reproduced or used for any purpose without the liquidators' written permission in each specific instance.

The Liquidators, their employees and agents do not assume any responsibility or liability for any losses occasioned to any party for any reason including as a result of the circulation, publication, reproduction or use of this report contrary to the provisions of this paragraph.

The Liquidators reserve the right (but will be under no obligation) to review this report and, if considered necessary, to revise the report in light on any information existing at the date of this report which becomes known to them after that date.

We have not independently verified the accuracy of the information provided to us and have not conducted any form of audit in respect of the Company. We express no opinion on the reliability, accuracy or completeness of the information provided to us and upon which we have relied. Whilst all care and attention has been taken in compiling this report, we do not accept any liability whatsoever arising from this report.

The statements and opinions expressed in this report are based on information available and assumptions made as at the date of this report. It is possible that actual outcomes may be significantly different from those disclosed in this report.

In addition, the following should be noted:

- Certain values included in tables in this report have been rounded and therefore may not add exactly; and
- All amounts are stated in New Zealand dollars.

Conduct of the liquidation

Receipts and Payments

Please refer to Appendix A: Statement of Receipts and Payments for the receipts and payments during the Period and since the commencement of the liquidation.

Statement of Affairs

An updated statement of affairs has been prepared in accordance with regulation 7(1)(d) of the Regulations and is enclosed at Appendix B.

Digital asset recovery

The Liquidators have a responsibility to protect and preserve the Company's digital asset holdings for the benefit of those entitled to them.

Since being appointed the Liquidators have been in contact with the third-party exchange and have recovered the Company's reported digital assets. The Liquidators have obtained all transactional information held by this party, which will form the basis for the investigations into the conduct of the company and its officers.

The reconciliation of user balances owed has been significantly impacted by the lack of reliable historical information held by the company. As a result, we have had to implement a tailored claims process that requires account holders to substantiate the digital asset and NZD amounts they believe are owed to them.

Company's conduct

We investigated the affairs of the Company and its Directors, including related parties, in the period prior to our appointment to determine if there are any further avenues of recovery available to the Company. Our duties as Liquidator require a transparent and robust investigation into the Company.

Given the shortfall detailed above the Liquidators have been in contact with the Financial Markets Authority ("FMA") and the Serious Fraud Office ("SFO"). The Liquidators have also worked with the SFO who opened an investigation into the Company (SFO case number: 231333). However, we confirm that the SFO has now closed their investigation concluding there is insufficient evidence to support charges of serious or complex fraud. Refer to their website for further information https://www.sfo.govt.nz/media-cases/media-releases/sfo-closes-investigation-into-cryptocurrency-trading-platform-digital-asset-exchange-ltd.

As a registered Financial Service provider (FSP1004807), the Company was required to provide access to a dispute services process. We have been informed by the Insurance and Financial Services Ombudsman ("IFSO") that the Company was removed from the IFSO scheme prior to liquidation as it had not responded to complaints raised by the IFSO. Subsequently due to the Liquidation the company was deregistered from this scheme.

We intend to file a report with the Registrar of Companies under section 60 of the Insolvency Practitioners Regulation Act 2019 before finalising the liquidation. The report will set out the results of our investigations into the company, including our findings regarding the conduct of the company and its officers and directors.

Users and Legal directions

As detailed previously, the Liquidators have attempted to contact all Users that are recorded by the Company as registering on the exchange.

In July 2024 the Liquidators applied to the court for legal directions on the terms and conditions of the exchange to consider the relationship with its Users. Specifically, whether the Crypto Assets are held in trust for Users, or whether they should be for the benefit of all Company creditors. We provided service of these orders to all users that were on the Company's database, known creditors, and posted on the Grant Thornton website (https://www.grantthornton.co.nz/Dasset/update-for-dasset-creditors-and-users-5-august-2024/). No users or creditors sought to vary or amend the orders within the specified 10-day working period.

Following a hearing on 14 July 2025, the High Court of New Zealand issued sealed orders in relation to the liquidation of Digital Asset Exchange Limited (Dasset). These orders have important implications for all Dasset Account holders. We served the sealed orders and judgement via email or post to all known users on 18 August 2025.

The orders and accompanying judgment confirm the following matters:

Digital Assets Held on Trust

- All cryptocurrencies held by the liquidators of Dasset are legally recognised as property.
- These assets are held on trust for all account holders, with each holder having a proportional interest based on their holdings.
- The trust was established on 24 April 2017, when Dasset began trading.

Liquidators' Role

- The liquidators, David Ian Ruscoe and Malcolm Russell Moore, are authorised to act as trustees.
- They may convert digital assets to fiat currency to cover liquidation and trust expenses and distribute proceeds to account holders.

Claims Process

With the legal matters above resolved the Liquidators established a User claims process.

- The claims process required account holders to complete a customised claims form and provide supporting evidence, including bank transactions, blockchain transactions, and details of the cryptocurrency/digital assets being claimed.

  Following adjudication in late 2025 and early 2026, we have received and admitted a total of 263 claims amounting to $9,429,798.
- We have now received the bank account details from all account holders whose claims have been accepted in the liquidation.
- The Liquidators hold $503,953 from the proceeds realised from the conversion of Digital Assets available distribute to account holders, representing approximately 5% of admitted claims. This total allows for an allowance of future liquidation and trust expenses needed to complete Liquidation.
- The Liquidators are waiting for confirmation from the largest account holder prior to making this distribution.

Creditors

Secured Creditors

At the date of our appointment, there were no security interests registered against the Company.

Preferential Creditors

To date, we have received 4 claims from employees totalling $47,304 and a preferential claim from the Inland Revenue Department ("IRD") for PAYE / GST for $150,932.

There will be no funds available to make payment to preferential creditors.

Unsecured Creditors

To date, we have received three unsecured creditors' claims totalling $293,067 including an amended proof of debt received during the Period from the IRD.

There will be no funds available to make payment to unsecured creditors.

Digital asset holdings

As previously discussed, the Company held digital assets on a third-party offshore exchange. While most transactions were captured by the Company internal systems, all user balances were reliant on the real-time reporting of this third-party. While this exchange has been forthcoming with information, the CEO of the Company is understood to retain the key knowledge of how the Company operated and how User records were stored. Despite numerous attempts to contact him, the CEO has not responded to the Liquidators since day 3 of the liquidation and is believed to be overseas.

To date after numerous interactions, compliance requests and information exchanges with the third-party exchange, we have recovered 94 cryptocurrencies and tokens. However, as previously reported there is a significant shortfall between the reported level of users' holdings and the amount of digital assets held by the Company. In line with the orders obtained, we converted all the realisable crypto currency into fiat and this resulted in realisations of $1,416,796 including $3,953 during the present Period.

We have investigated the Company's trading records, with a particular emphasis on blockchain withdrawals. Based on our findings the Liquidators identified a number of unexplained withdrawal transactions. These transactions have been traced using blockchain analytics tools to several offshore and decentralised virtual asset service providers who do not have a New Zealand presence. This includes several centralised and decentralised exchanges that allow derivative trading. These transactions which are valued at millions of dollars appear to be responsible for the large deficit in assets. Our analysis has been provided to the relevant authorities.

Remuneration Report

The Liquidators were paid remuneration during the Period, totalling $44,903 exclusive of GST. All time and expenses incurred and billed in the liquidation are reasonable and necessary.

A detailed breakdown of the Liquidators' remuneration and disbursements received during the Period is enclosed at Appendix C, including a schedule of the qualifications and experience generally of staff at each level. A schedule of the work relating to the remuneration received during the Period is also summarised in Appendix C.

Remaining Matters

Investigations

We have completed our investigations into the Company and, as noted above, have referred relevant matters to the appropriate authorities. We also intend to file a report with the Registrar of Companies pursuant to section 60 of the Insolvency Practitioners Regulation Act 2019 before finalising the liquidation. This report will outline the results of our investigations and the matters identified during the course of the liquidation.

Estimated date of completion of the liquidation

Once the distribution of the proceeds realised from the conversion of Digital Assets is made to account holders we intend to file our final report and close the Liquidation.

Should you have any queries in relation to any matter raised in this report then please contact Jay Vora on dasset@nz.gt.com.

Dated: 11 September 2026

David Ian Ruscoe
Liquidator
Digital Asset Exchange Limited (in Liquidation)

Appendix A – Receipts and Payments

NZ$	15 February 2026 to 14 August 2026	14 August 2023 to 14 August 2026
Opening Balance	**610,720**	**-**
Receipts		
Cash at bank on appointment	-	-
Crypto-Assets converted to Fiat	1,105	1,416,796
GST refunds received (payments)	9,144	124,052
GST on receipts	-	-
Total Receipts	**10,249**	**1,540,847**
Payments		
Bank fees	103	311
Cost of conversion of Crypto-Assets	-	38,710
IT fees	15,538	83,652
Legal fees	-	264,046
Liquidators fees	44,903	439,627
Liquidators disbursements	517	39,686
GST on payments	9,144	124,052
Total payments	**70,204**	**990,083**
Net surplus / (deficit)	**(59,955)**	**550,765**
Closing balance	**550,765**	**550,765**
Represented by		
Liquidation Bank Account		550,765
Grant Thornton Trust Account		-
Total cash		**550,765**

Appendix B – Statement of Affairs

	Notes	Sixth Report Estimated to Realise (NZ$)	Current Realisations (NZ$)	Revised Estimated to Realise (NZ$)
Assets				
Digital assets	1	Unknown	1,416,796	Unknown
Total Assets		**Unknown**	**1,416,796**	**Unknown**
Liabilities				
User liabilities		Withheld	-	9,429,798
Preferential creditors				
Employee entitlements		47,304	-	47,304
IRD - GST and PAYE		150,933	-	150,933
Total Preferential Claims		**198,237**	**-**	**198,237**
Unsecured creditors				
Trade creditors		6,909	-	6,909
IRD – Unsecured portion	2	286,108	-	286,158
Total Unsecured Claims		**293,017**	**-**	**293,067**
Total Liabilities		**Unknown**	**Unknown**	**9,921,102**
Estimate cost of liquidation	3	Unknown	**(866,031)**	Unknown
Estimated net assets/(liabilities) / current cash on hand	1	**Unknown**	**550,765**	**Unknown**

Notes

1. *The High Court in the directions judgment had confirmed that the Digital assets are recognised as property and are held on trust by the Company acting as trustees on behalf of the account holders who would be the beneficiaries of the trust having a proportional interest based on their holdings. Thus, these assets would not be available to other creditors.*
2. *We received an amended proof of debt from the IRD during the Period.*
3. *This represents the current costs of the liquidation to date, including costs such as IT, legal and liquidators fees.*

Appendix C – Remuneration Report

Section 1: Initial Advice to Creditors

Explanation of Hourly Rates

The rates for our remuneration calculation are set out in the following table together with a general guide showing the qualifications and experience of staff engaged in the Liquidation and the role they take. The hourly rates charged encompass the total cost of providing professional services and should not be compared to an hourly wage.

Title	Description of title	Hourly rate (Exc. GST)
Partner	Accredited Insolvency Practitioner. Partner bringing specialist skills to Liquidations and Insolvency matters. Controlling all matters relating to the assignment.	$675
Director	Qualified accountant and may be a Registered Insolvency Practitioner. Minimum 7/8+ years' experience. Highly advanced technical and commercial skills. Planning and control of all Liquidation and Insolvency tasks. .	$550 - $600
IT Specialist	Specialist IT Practitioner bringing specialist skills in Cybersecurity, IT forensics, AML and other IT related matters.	$465
Manager/Senior Manager	Typically Qualified. 5-8 years' experience. Well developed technical and commercial skills. Planning and control of Liquidation and Insolvency tasks with the assistance of the appointee.	$430 - $480
Assistant Manager	Typically, a qualified chartered accountant with 4+ years' experience. Co-ordinates planning and control of small to medium liquidations and insolvency tasks. Conducts certain aspects of larger liquidations.	$400
Senior Analyst	Typically Qualified. 3 years' experience. Required to conduct the fieldwork on small to medium Liquidations and Insolvency tasks and assist with fieldwork on larger Liquidations and Insolvency tasks.	$300
Analyst	Typically undertaking Qualifications. Up to 3 years' experience. Required to conduct the fieldwork on smaller Liquidations and Insolvency tasks and assist with fieldwork on medium to large Liquidations and Insolvency tasks.	$150 - $170
Support Staff	Conducts all aspects relating to administering the accounts function and other functions as required.	$170 - $180

Section 2: Calculation of Remuneration

Calculation of Remuneration – Time based charges

Charged on an hourly basis and per the hourly rates set out by time and cost charged by key category:

	Hourly Rate ($ph)	Administration/ Statutory		Asset Realisation		Investigations		Creditors/Users		Legal Matters		Total	
		Hours	Cost ($)	Hours	Cost ($)	Hours	Cost ($)	Hours	Cost ($)	Hours	Cost ($)	Hours	Cost ($)
Partner	675	0.5	338	-	-	-	-	7.2	4,860	1.0	675	8.7	5,873
Director	550 - 600	2.0	1,100	12.0	7,100	-	-	8.5	5,000	-	-	22.5	13,200
Manager	430 - 480	1.2	522	-	-	-	-	-	-	-	-	1.2	522
Assistant Manager	400	-	-	-	-	-	-	27.0	10,800	-	-	27.0	10,800
IT Specialist	465	-	-	-	-	-	-	-	-	-	-	-	-
Senior Analyst	300	9.2	2,760	-	-	-	-	24.3	7,290	-	-	33.5	10,050
Analyst	150 - 170	5.7	1,157	-	-	-	-	10.3	1,301	-	-	16.0	2,458
Support Staff	170 -180	11.1	1,946	-	-	-	-	0.3	54	-	-	11.4	2,000
Total this period		**29.7**	**7,823**	**12.0**	**7,100**	**-**	**-**	**77.6**	**29,305**	**1.0**	**675**	**120.3**	**44,903**
Total previous period		**394.2**	**137,240**	**27**	**16,013**	**371.8**	**132,925**	**85.5**	**29,947**	**154.2**	**78,600**	**1,032.7**	**394,724**
Total liquidation		**423.9**	**145,063**	**39**	**23,113**	**371.8**	**132,925**	**163.1**	**59,252**	**155.2**	**79,275**	**1,153.0**	**439,627**

Basis of Disbursement Claim

	Total this period ($ excl. GST)	Total Liquidation ($ excl. GST)
Advertisements	-	647
Amazon Web Services (Hosting Fees)	-	29,080
Sundry	-	6,061
Travel	-	2,737
Xero	517	1,161
Total	**517**	**39,686**

Section 3: Description of Work

Summary of work performed in relation the Liquidators' remuneration:

Task Area	General Description	Includes
Assets	Crypto Assets	• Review of company assets • Reviewing notional values from Crypto markets of recovered assets • Liaising with 3rd Party exchange around compliance requests and other incidentals • Securing assets into cold storage and custodian control • Converting crypt-assets into Fiat
	Other Assets	• Tasks associated with realising other assets
Creditors/Users	Creditor Enquiries	• Determining claims based on records available • Coordinating with claimants where adjudication was required • Collating bank account details of claimants • Collating user claims • Responding to user emails regarding claims • Responding to user email queries regarding directions email sent • Responding to users email queries regarding orders sought
	Creditor reports	• Meeting with IRD and information requests.
Administration/Statutory	Company office obligations	• Filing with Companies Office
	Planning/Review	• Meetings and engagement planning
Investigations	Tracing exercises	• Using blockchain analytics tools on Cryptocurrency transactions • Transaction analysis
	Company/Directors duties	• Reviewing company solvency and financial reporting • Investigating director's duties • Review of IT environment and company mailboxes • Inspection of service agreements • Reviewing conduct of companies for breaches of Companies Act • Interviews with Directors and Shareholders
	Regulator engagement	• Attending to regulatory/statutory requests • Meetings with regulators
Legal Matters	Identity verification scoping	• Initial review of customer database, collected KYC and other identity requirements. • Crypto specific obligations
	Legal memos	• Preparing legal memos on Liquidation progress and findings • Working with legal advisers to prepare evidence in support of directions application • Attending the directions hearing in the Court

Appendix D – Schedule of Known Creditors

Creditor Name	Address
Allen Cooper	Address withheld
Amazon Web Services	Level 5, 18 Viaduct Harbour Ave, Auckland 1010
Cryptocurrency NZ Meetups	Address unknown
Dext Software	Unit 1.2 Techspace Shoreditch, 25 Luke Street, London EC2A 4DS
Future Sight Consulting	Unit 214, 20 Mason Avenue, Otahuhu, Auckland 1062
Green ID	Level 2, 40 Taranaki Street, Te Aro, Wellington 6011
Illion Open Data Solutions	B6, L2 Central Park, 666 Great South Rd, Ellerslie, Auckland 1051
Illion Solutions	Address unknown
Inland Revenue Department	PO Box 39090, Wellington Mail Centre, Lower Hutt
Iwantmyname	ideegeo Group LTD, c/o iwantmyname, PO Box 116, Napier 4110
Julia Malley	Address withheld
Longzhen Shen	Address withheld
Louis Lising	Address withheld
Only Office	Address withheld
OriginID	18 Broadway, Newmarket, Auckland 1023
PHX Consulting	Address unknown
Sendgrid	101 Spear Street, Ste500, San Francisco, CA 94105
Sherry Tabanao	Address withheld
Slack Technologies	Address unknown
Stephen Macaskill	Address withheld
TECHEMY LIMITED	PO BOX 90497, Auckland, 1010
ZenDesk	7/395 Collins St, Melbourne, Victoria 3000, Australia

Grant Thornton

grantthornton.co.nz