

Fill in this information to identify the case:

Debtor Name Terraform Labs Pte Ltd.
 United States Bankruptcy Court for the: _____ District of Delaware
 (State)
 Case number: 24-10070

Official Form 426

Periodic Report Regarding Value, Operations, and Profitability of Entities in Which the Debtor’s Estate Holds a Substantial or Controlling Interest

12/17

This is the *Periodic Report* as of 6/30/2024 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a “Controlled Non-Debtor Entity”), as required by Bankruptcy Rule 2015.3. For purposes of this form, “Debtor” shall include the estate of such Debtor.

The Debtor holds a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
See attached exhibits.		

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

Exhibit A contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders’ or partners’ equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

Exhibit B describes the Controlled Non-Debtor Entity’s business operations.

Exhibit C describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

Exhibit D describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

Exhibit E describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity’s payment thereof or incurrence of any obligation with respect thereto.

This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.

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The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

For non-individual Debtors:

/s/ Chris Amani
Signature of Authorized Individual
Chris Amani
Printed name of Authorized Individual
Date 08/21/2024
MM / DD / YYYY

For individual Debtors:

Signature of Debtor 1

Printed name of Debtor 1
Date _____
MM / DD / YYYY

Signature of Debtor 2

Printed name of Debtor 2
Date _____
MM / DD / YYYY

General Notes

On January 21, 2024, Terraform Labs Pte Ltd. (“TFL”) filed a petition in the United States Bankruptcy Court for the District of Delaware seeking relief under chapter 11 of the United States Bankruptcy Code. TFL has been diligently reviewing its books and records with the assistance of its advisors to trace the ownership of certain of its digital assets as between TFL and its wholly owned subsidiary, Terraform Labs Limited (“TLL”), and determine the quantum of intercompany claims that exist between the entities. The special committee of the board of TFL investigated these issues and took action to effectuate the restoration of TLL under British Virgin Islands (“BVI”) law. On June 21, 2024, the Bankruptcy Court entered an order (Docket No. 400) approving a motion to restore TLL. TLL was officially restored as of June 21, 2024, upon TFL’s application to restore TLL in the BVI. Further, on July 1, 2024, TLL commenced a voluntary case under chapter 11 of the United States Bankruptcy Code. On July 17, 2024, the Bankruptcy Court entered an order (Docket No. 476) approving a motion for joint administration of TFL’s and TLL’s (collectively, the “Debtors”) chapter 11 cases.

The Debtors’ chapter 11 cases (the “Chapter 11 Cases”) has been assigned to Judge Brendan Linehan Shannon. The docket for the Chapter 11 Cases can be accessed through the website maintained by the United States Bankruptcy Court for the District of Delaware (<http://www.deb.uscourts.gov>).

General Methodology

This periodic report (the “Periodic Report”) of the non-debtor subsidiary of TFL (the “Non-Debtor”) has been prepared solely for the purpose of complying with Rule 2015.3 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”). This Periodic Report does not include information on certain entities the Debtors understand to be deregistered or struck off, including Terraform Labs Korea and Moon Landing Venture I Ltd.

The financial information contained herein is unaudited, limited in scope, and as such, has not been subject to procedures that would typically be applied to financial statements in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Form 426 should not be relied upon by any persons for information relating to current or future financial condition, events, or performance of the Non-Debtor or its affiliates, if any, as the results of operations contained herein are not necessarily indicative of results which may be expected from any other period or for the full year, and may not necessarily reflect the combined results of operations, financial position, and schedule of receipts and disbursements in the future. There can be no assurance that such information is complete, and the Form 426 may be subject to revision. The following notes, statements, and limitations should be referred to, and referenced in connection with, any review of the Form 426.

Basis of Presentation

The financial information contained herein is presented per the Debtors’ books and records without, among other things, all adjustments or reclassifications that may be necessary or typical with respect to consolidating financial statements or in accordance with U.S. GAAP. In preparing the Periodic Report, the Debtors relied on financial data derived from their books and records that was available at the time of such preparation. Although the Debtors have made commercially reasonable efforts to ensure the accuracy and completeness of the Periodic Report, subsequent information or discovery may result in material changes to the Periodic Report. As a result, inadvertent errors or omissions may exist. For the avoidance of doubt, nothing contained herein shall constitute a waiver of any rights of the Debtors, including the right to amend the information contained herein, and the Debtors hereby reserve all of their rights, including to amend and/or supplement the Periodic Report as may be necessary or appropriate.

Reservation of Rights

Nothing contained in this Periodic Report shall constitute a waiver or admission by the Debtors in any respect nor shall this Periodic Report or any information set forth herein waive or release any of the Debtors’

rights or admission with respect to the Chapter 11 Cases, or their estates, including with respect to, among other things, matters involving objections to claims, substantive consolidation, equitable subordination, defenses, characterization or re-characterization of contracts, assumption or rejection of contracts under the provisions of chapter 3 of the Bankruptcy Code and/or causes of action under the provisions of chapter 5 of the Bankruptcy Code or any other relevant applicable laws to recover assets or avoid transfers. The Debtors are reviewing the assets and liabilities of their affiliates on an ongoing basis, including, without limitation, with respect to intercompany claims and obligations, and nothing contained in this Periodic Report shall constitute a waiver of any of the Debtors' or their affiliates' rights with respect to such assets, liabilities, claims, and obligations that may exist.

Each signatory to this Periodic Report has necessarily relied upon the efforts, statements, advice, and representations of personnel of the Debtors and the Debtors' advisors and professionals. Each signatory has not (and could not have) personally verified the accuracy of each such statement, representation, and answer contained in this Periodic Report.

Asset Sales

As referenced in the *Disclosure Statement for Amended Chapter 11 Plan of Liquidation of Terraform Labs Pte. Ltd. and Terraform Labs Limited* (Docket No. 502), one of the key terms of the SEC Settlement was that the Debtors are required to wind-down their business as quickly as reasonably possible and liquidate their assets in a value-maximizing and cost-effective manner, including the marketing and selling of the Debtors' interests in Proximity Panorama, LDA ("Proximity"), Pulsar Finance ("Pulsar Finance"), and other applications developed by the Debtors (the "Business Assets"), as well as the Debtors' interests in the Venture Investments. This marketing and sales process of the Debtors' Business Assets is ongoing.

Currency

The amounts herein are presented in United States dollars using foreign exchange rates as of August 20, 2024.

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Name of Non-Debtor Entity

Proximity Panorama, LDA

Interest of the Estate on 6/30/24

100%

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Exhibit A-1: Balance Sheet of Non-Debtors

As of 6/30/2024

(Figures in \$)

	Proximity Panorama, LDA
Assets	
Total Non-Current Assets	\$ 2,039
Current Assets	
Cash and bank deposits	136,344
All other current assets	57,104
Total Current Assets	\$ 193,448
Total Assets	\$ 195,487
Equity and Liabilities	
Total Equity	(2,578,564)
Liabilities	
Total Intercompany Liability to TFL	2,618,189
Total Current Liabilities	155,862
Total Liabilities	\$ 2,774,051
Total Equity and Liabilities	\$ 195,487

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Exhibit A-2: Statement of Income (Loss) of Non-Debtors

YTD 6/30/2024

(Figures in \$)

	Proximity Panorama, LDA
Total revenue and gains for the period	\$ 1,182
Operating expenses	878,369
Result before depreciation, financing costs and taxes	\$ (877,187)
Depreciation and amortization expenses/reversals	-
Operating result (before financing expenses and taxes)	\$ (877,187)
Net financing expense	19
Result before taxes	\$ (877,206)
Tax over the period's income	-
Net result for the period	\$ (877,206)

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Exhibit A-3: Statement of Cash Flows

Statements of cash flows are not prepared for each Controlled Non-Debtor Entity but rather only at the Terraform Labs Pte Ltd. level. System and resource constraints preclude the Debtors from preparing these statements at the Controlled Non-Debtor Entity level; therefore, these statements have been excluded from this filing.

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Exhibit A-4: Statement of Changes in Shareholders'/Partners' Equity (Deficit)

Statements of changes in shareholders' or partners' equity are not prepared for the Controlled Non-Debtor Entity but rather only at the Terraform Labs Pte Ltd. level. System and resource constraints preclude the Debtors from preparing these statements at the Controlled Non-Debtor Entity level; therefore, these statements have been excluded from this filing.

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Exhibit B: Description of Operations

In November 2023, TFL acquired the stock of Proximity Panorama, LDA (“Proximity”), a Portuguese private limited liability company, pursuant to a sale and purchase of share agreement. Proximity owned valuable intellectual property—cross-chain portfolio management and analytics software called Pulsar Finance (“Pulsar”), which it transferred to TFL pursuant to the transaction. TFL paired its Foundation application with Pulsar analytics software and data indexing capabilities to create a user interface product that is unavailable on any of TFL’s competitors’ blockchain platforms. Proximity is a wholly-owned subsidiary of TFL. As referenced in the Disclosure Statement for Amended Chapter 11 Plan of Liquidation of Terraform Labs Pte. Ltd. and Terraform Labs Limited (Docket No. 502), the Debtors are currently conducting outreach to potential bidders interested in purchasing its Business Assets and certain of its Ventures Assets, including wholly owned subsidiary Proximity Panorama, LDA and Pulsar Finance.

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Exhibit C: Description of Intercompany Claims

The Debtors and the Controlled Non-Debtor Entity engage in intercompany transactions to fund the Controlled Non-Debtor Entity's operations. The Debtors track all fund transfers through their accounting system and can ascertain, trace, and account for all intercompany transactions. The Debtors are currently reviewing the purchase price accounting related to the Proximity acquisition described in Exhibit B; for this reason, intercompany claims between the Debtors and the Controlled Non-Debtor Entity are subject to further review and change.

Please refer to:

Motion of Debtor for Entry of Interim and Final Orders (I) Authorizing Debtor to Use Treasury Management System, (II) Authorizing Continuation of Intercompany and Intracompany Transactions, and (III) Granting Related Relief [Docket No. 211]; and

Second Interim Order (I) Authorizing Debtor to Use Treasury Management System, (II) Authorizing Continuation of Intercompany and Intracompany Transactions, and (III) Granting Related Relief [Docket No. 211], for more information.

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Exhibit D: Allocation of Tax Liabilities and Assets

No tax payments, refunds or attributes have been allocated to the Controlled Non-Debtor Entity. The tax accounts included in the financial statements of the Controlled Non-Debtor Entity represent the individual entity's results without allocations.

There are currently no tax sharing or tax allocation agreements to which the Controlled Non-Debtor Entity is a party.

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Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor

As of the balance sheet date of the financials presented in Exhibit A, no payments of administrative expenses, professional fees, or otherwise were paid by the Controlled Non-Debtor Entity that would have otherwise been payable by the Debtors.