



IN THE GRAND COURT OF THE CAYMAN ISLANDS

CIVIL DIVISION

146
CAUSE NO OF 2021

IN THE MATTER OF TRAX LTD

AND IN THE MATTER OF ORDER 50, RULE 11 OF THE GRAND COURT RULES

AFFIDAVIT OF AVRAAM XENOPHONOS

I, Avraam Xenophonos, of 49 Kamelias Street, 3110 Limassol, Cyprus do **MAKE OATH** and say as follows:

1. I am President of Dorset Limited ("**Dorset**"). Dorset is a Marshall Islands company the business of which is to make investments, and is the entity which has a beneficial entitlement to an interest in certain shares of Trax Ltd ("**Trax Cayman**"), a company incorporated in the Cayman Islands. I am authorised by Dorset to swear this Affidavit.
2. The facts and matters in this Affidavit which are in my own personal knowledge are true and correct. Insofar as the facts and matters in this Affidavit are not within my own personal knowledge, I state the source of that knowledge and I confirm that such facts and matters are true and correct to the best of my knowledge, information and belief.
3. There is now produced to me marked AX-1 a bundle of copy documents to which I refer. Unless otherwise stated, references in this Affidavit to pages are to those in AX-1.
4. I make this Affidavit in support of Dorset's application, pursuant to Order 50, rule 11 of the Grand Court Rules (the "**GCR**"), for the issuance of a stop notice in respect of certain shares in Trax Cayman to which Dorset has a beneficial entitlement (the "**Stop Notice**").

5. Annexed to this affidavit is a copy of the Stop Notice signed by me.

A. The Applicant

6. Dorset is a company incorporated under the laws of Marshall Islands, with registered address of Ajeltake Road, Ajeltake Island, Majuro, Marshall Islands MH96960.

B. The Company

7. The Company, which I have defined above as Trax Cayman, is an exempted company incorporated under the laws of the Cayman Islands on 8 December 2017 with registration number 330189. It has its registered office at Maples Corporate Services Limited, Ugland House, South Church Street, George Town, Grand Cayman KY1-1104, Cayman Islands.

C. The Shares

8. The Shares which are the subject of the Stop Notice are 293,800 shares out of 306,963 in Trax Cayman registered in the name of Mr. Panagiotis Triantafyllidis ("**Mr Triantafyllidis**").

D. Background

9. I set out below the brief background to Dorset's beneficial entitlement to the shares in question. My comprehensive background to Dorset's beneficial entitlement to the shares in question is explained in my draft affidavit filed in the English proceedings, before the High Court of Justice, Business and Property Court of England and Wales, Case Number BL-2021-001132, now affirmed or sworn by me on 14 July 2021 and which I have exhibited at (pages 1 to 30) together with the Particulars of Claim (pages 31 to 48) the truth of which was verified by me (the "**English Proceedings**") which I repeat and swear to be true and correct to the best of my knowledge for the purpose of these proceedings. My draft affidavit filed in the English Proceedings was filed in support of Dorset's application to the English Court, inter alia, for the court to grant a proprietary freezing and disclosure order against Mr. Triantafyllidis.

10. On or around 2014, Dorset made the decision to invest approximately US\$2,600,000 in an entity called Trax Technology Solutions Pte Ltd ("**Trax Singapore**") with the assistance of an existing investor in Trax Singapore, Mr. Triantafyllidis.
11. That investment was made pursuant to a share subscription agreement dated 18 December 2014 (the "**Share Subscription Agreement**") (pages 49 to 51) between Dorset and Mr Triantafyllidis. On the same date, Dorset directly transferred the said sum of US\$2,600,000 by way of payment of the subscription monies for the shares from Dorset's bank account to Trax Singapore's bank account (page 52). Prior to the transaction Mr. Triantafyllidis held 3,161 shares in Trax Singapore personally. Following the transfer of the monies, Mr. Triantafyllidis was allotted a further 2,938 shares (pages 53 to 57). These shares were held by Mr. Triantafyllidis on behalf and for the account of Dorset, referred to hereafter as Dorset's shares and pursuant to the terms of the share subscription agreement and Dorset says that Mr Triantafyllidis was a trustee and/or fiduciary in relation to them for Dorset, as well as being bound by the share subscription agreement itself. Following a 100:1 share split, Mr Triantafyllidis, held a total of 609,900 shares, of which 293,800 were the shares he held on behalf of and for the account of Dorset and subject to the said trust and/or fiduciary obligation, as well as subject to the subscription agreement. He later sold 78,028 shares out of his on interest, leaving himself holding 531,872 shares, of which 293,800 remained shares so held for Dorset.

Dorset's entitlement to the Trax Shares

12. On or about 10 January 2018, Trax Singapore undertook a corporate reorganisation whereby the shareholders of Trax Singapore transferred their shares in that entity to Trax Cayman and, in return, received a like number of shares in Trax Cayman (page 58). Dorset was made aware that Trax Singapore intended to re-domicile in late 2017 (see paragraph 32 of my affidavit in the English Proceedings, pages 9 to 10). However, Dorset was unaware that this transaction had in fact been completed in January 2018. Dorset was also unaware that, in January 2018, Mr. Triantafyllidis had apparently sold/disposed of/transferred the 531,872 shares in his name in Trax, of which 293,800 shares held by him for Dorset as set out above, and obtained in exchange for them 531,872 shares in Mr. Triantafyllidis' name in Trax's new holding company, Trax Cayman of which 293,800

traceably represented the 293,800 shares in Trax that he had hitherto held for Dorset. We do not know the details of how this was done, save that there is a record that it was done in Trax's filings with ACRA in Singapore (page 59). However, since Dorset is entitled to trace its interest into those shares, Mr. Triantafyllidis held 293,800 of them on Dorset's behalf subject to the same trust and fiduciary obligations as before.

Alleged Sale of Dorset's shares

13. In or around early December 2020, it came to Dorset's attention that Mr Triantafyllidis was alleging that he had sold an unspecified number of shares he held for Dorset. I refer this Honourable Court to my affidavit in the English Proceedings exhibited hereto at (pages 5 to 34), which describes the events so far as I know them, and for the avoidance of doubt I repeat those paragraphs.
14. Dorset has not received any proceeds from this sale.

Mr Triantafyllidis' lack of authority

15. It appears that Mr Triantafyllidis sold a total of 224, 909 shares out of the 531,872 shares he held in Trax Cayman, leaving 306,963 shares in Trax Cayman in his name. As noted above, Dorset first became aware of the sale of the Shares in December 2020; this knowledge was first obtained more than two years after the purported sale had been completed. If any of the 224, 909 shares sold were in fact for Dorset's interest, the sale of those Shares was undertaken, and transfer of them was made to third parties, without Dorset's permission or knowledge or prior agreement pursuant to the share subscription agreement, and was a breach of trust and/or fiduciary duty owed to Dorset, as well as a breach of the share subscription agreement. Had any sale been proposed to Dorset, Dorset would have declined that proposal.
16. Dorset, however, believes that none of the 224,909 shares in Trax Cayman sold by Mr Mr Triantafyllidis were or, at Dorset's election, are to be treated as shares in which Dorset had an interest. Dorset believes that, of the 306,963 shares in Trax Cayman held in Mr Triantafyllidis' name, 293,800 of these are shares in which it was and is beneficially interested and which were and are held subject to trust/fiduciary duties as well as

pursuant to the obligations of the Share Subscription Agreement, *inter alia*, on the basis that Mr. Triantafyllidis is to transfer them to Dorset, and not to dispose of them to others.

17. We say that the obligations of the Share Subscription Agreement applied and continue to apply to 293,800 of the 306,963 shares in Trax Cayman and indeed that these shares are economic benefits directly or indirectly arising out of ownership of the original 293,800 shares in Trax Singapore, and traceable substitutes thereof, and that Mr. Triantafyllidis was and is bound to transfer those very benefits – i.e. the 293,800 shares in Trax Cayman to Dorset as promptly as possible, and not to third parties.
18. As a matter of principle, therefore, Dorset does not accept that Mr Triantafyllidis's sale of the 224,909 shares included any of the shares in which Dorset was interested at all, and Dorset says that Mr Triantafyllidis, as trustee and fiduciary, has as a matter of fact sold, or is in any event, under the applicable tracing rules, to be treated as having sold, any of the shares that he did sell as sales for himself, and out of his own interest, and not as sales of shares in which Dorset, his beneficiary and principal, was interested.
19. Dorset's primary case, therefore, is that PT still holds for Dorset 293,800 shares of the 306,963 shares in his name and that Dorset has the beneficial interest in those shares because Mr Triantafyllidis holds them on trust or subject to fiduciary obligations towards Dorset. However, there is an alternative analysis that the legal interest in the 306,963 shares are held by Mr Triantafyllidis subject to a tenancy in common in which Dorset's beneficial interest is in the proportion 293,800/306,963. I refer the Court to the Particulars of Claim filed in the English court, verified under statement of truth, for the details of Dorset's case, and which are repeated and confirmed here, as are the contents of my draft Affidavit in the English proceedings, which I have now affirmed or sworn.

E. Dorset's intent to issue proceedings

20. Dorset has issued the English Proceedings seeking, *inter alia*, to recover the 293,800 Shares. On 13 July 2021 the English court made a proprietary injunction, *inter alia*, restraining Mr Triantafyllidis from dealing with 293,800 out of the 306,963 Shares (page [x]). Dorset also intends to seek similar relief from this Honourable Court.

21. However, Dorset wishes to secure and protect its beneficial entitlement to the Shares until the determination of the application that it intends to make for injunctive relief from this Honourable Court. On that basis, it hereby requests that this Honourable Court issue a stop notice in the form annexed to this affidavit pursuant to Order 50, rule 11 of the GCR.

F. Service of Notice

22. Pursuant to Order 50, rule 11(3) of the GCR, I confirm that the address to which any notice as is referred to in Order 50, rule 12 of the GCR should be sent is the address for service on Dorset as follows:

**Ogier
Attorneys-at-law for Dorset Limited
89 Nexus Way
Camana Bay
Grand Cayman, KY1-9009
Cayman Islands**

FAO: Christopher Levers



STOP NOTICE

TO: TRAX LTD
Maples Corporate Services Limited, Uglan House, South Church Street,
George Town, Grand Cayman KY1-1104, Cayman Islands

TAKE NOTICE that the securities comprised in and subject to the beneficial entitlement referred to in the affidavit to which this notice is annexed consist of the following:

1. 293,800 shares out of 306,963 shares in Trax Ltd registered in the name of registered in the name of Panagiotis Triantafyllidis.

This notice is intended to stop the transfer of the said securities and not the payment of any dividend or interest due thereon.

A handwritten signature in black ink, appearing to be "A. Venturini", is written over a horizontal line.

For and on behalf of DORSET LIMITED

&

This Affidavit is filed by Ogier, Attorneys-at-Law for the Plaintiff, whose address for service is:
89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands (JSN/DZD/427651.00001)

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