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

[2025] SGHC 259

Originating Application No 1362 of 2025 and Summons No 3633 of 2025

In the matter of Section 64 of the Insolvency, Restructuring and Dissolution Act 2018

And

In the matter of Energe Asia Pte Ltd

Between

Energe Asia Pte Ltd

… *Applicant*

And

(1) PETCO Trading Labuan Co Ltd
(2) Olea Global Pte Ltd
(3) Propeller Fuels Ltd
(3) United Overseas Bank Ltd
(4) Aditya Birla Global Trading (Singapore) Pte Ltd
(5) The Hawks DMCC
(6) Flex Commodities FZCO
(7) NEC Capital
(8) Oilmar DMCC

… *Non-parties*

EX TEMPORE JUDGMENT

Version No 1: 23 Dec 2025 (13:54 hrs)

[Companies — Schemes of arrangement — Company seeking moratorium — Whether application was made in good faith — Whether there is sufficient evidence of creditor support — Section 64 Insolvency, Restructuring and Dissolution Act 2018]

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Re Energe Asia Pte Ltd (PETCO Trading Labuan Co Ltd and others, non-parties)

[2025] SGHC 259

General Division of the High Court — Originating Application No 1362 of 2025 and Summons No 3633 of 2025
Mohamed Faizal JC
23 December 2025

23 December 2025

Mohamed Faizal JC:

Introduction

1 HC/OA 1362/2025 ("Application") was filed by Energe Asia Pte Ltd ("Applicant") to obtain a four-month moratorium under s 64 of the Insolvency, Restructuring and Dissolution Act 2018 ("IRDA"). HC/SUM 3633/2025 ("SUM 3633") was filed by United Overseas Bank Ltd ("UOB") for a carve out of its mortgage over the Applicant's property at 12 Tuas South Street 5 Singapore 637793 ("Tuas Property") from the moratorium sought by the Applicant. Having carefully considered the matter and the arguments of the respective parties before me, I dismiss the Application. Consequently, SUM 3633 is rendered moot by virtue of such dismissal, and I accordingly dismiss it as well.

Background facts

2 The Applicant is a Singapore-incorporated company in the energy solution industry with a primary business in bunkering.[1] Its present sole director is one Kingsley Khoo Hoi Leng ("Mr Kingsley").[2]

3 According to the Applicant, from late 2024 onwards, a series of external market forces eroded its working capital and profitability. These included a decline in oil prices, intense price competition from competitors, disrupted supply chains, and defaults from its major clients.[3] To resolve its financial difficulties, the Applicant apparently commenced discussions with Koah Technologies Pte Ltd ("Rescue Investor") in early October 2025 to obtain rescue financing. In gist, the plan is for the Rescue Investor to purchase the Applicant's unsecured debt obligations for US$4m ("Rescue Sum"), after those unsecured debts have been restructured *via* a scheme of arrangement, and for the Rescue Investor to later acquire 100% of the Applicant's issued share capital for a nominal sum of US$1. The Rescue Sum will be distributed *pro rata* to the scheme creditors based on the amount of their unsecured debt as determined and adjudicated in the scheme of arrangement proceedings. On 20 November 2025, a non-binding term sheet was entered into between the Applicant and the Rescue Investor.[4]

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1 First affidavit of Kingsley Khoo Hoi Leng affirmed on 4 December 2025 and filed on 5 December 2025 ("Applicant First Affidavit") at paras 6–9.

2 Applicant First Affidavit at para 1.

3 Applicant First Affidavit at paras 12–22.

4 Applicant First Affidavit at paras 22–23, 28–36 and 47–55 and pp 213–218

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4 As of 21 November 2025, the Applicant collectively owes approximately US$39m to 29 unsecured creditors. The following creditors are of especial significance for the purposes of this judgment:[5]

(a) Marin Selatan Sdn Bhd ("Marin Selatan"), the Applicant's largest unsecured creditor, is allegedly owed approximately US$19.03m.

(b) PETCO Trading Labuan Co Ltd ("PETCO"), the Applicant's second largest unsecured creditor, is allegedly owed approximately US$4.61m.

(c) Olea Global Pte Ltd ("Olea"), the Applicant's third largest unsecured creditor, is allegedly owed approximately US$3.72m.

(d) Propeller Fuels Ltd ("Propeller"), the Applicant's fourth largest unsecured creditor, is allegedly owed approximately US$2.98m.

(e) Seroja Resources Pte Ltd ("Seroja Resources"), the Applicant's sixth largest unsecured creditor, is allegedly owed approximately US$1.24m.

(f) Aditya Birla Global Trading (Singapore) Pte Ltd ("Aditya"), the Applicant's seventh largest unsecured creditor, is allegedly owed approximately US$1.07m.

(g) The Hawks DMCC ("Hawks"), the Applicant's eighth largest unsecured creditor, is allegedly owed approximately US$971,000.

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5 Second affidavit of Kingsley Khoo Hoi Leng affirmed on 19 December 2025 and filed on 22 December 2025 ("Applicant Second Affidavit") at p 78.

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(h) Flex Commodities FZCO ("Flex"), the Applicant's ninth largest unsecured creditor, is allegedly owed approximately US$922,000.

(i) World Properties Pte Ltd ("World Properties"), the Applicant's 15th largest unsecured creditor, is allegedly owed approximately US$44,000.

For completeness, I note that counsel for NEC Capital and counsel for Oilmar DMCC also attended the hearing before me on a watching brief basis. However, their positions on the Application were not made known to the court. The Applicant also claims to dispute the debt allegedly owed to Oilmar DMCC,[6] but I need not go into this in any detail since Oilmar DMCC did not adduce any evidence or make any submissions before me.

5 There is also UOB, a secured creditor of the Applicant, which is owed approximately S$1.91m, and which has a mortgage registered in September 2022 over the Applicant's Tuas Property.[7]

6 According to the Applicant, as discussions with the Rescue Investor were progressing, it faced several legal proceedings and demands for repayment, including, among others, HC/CWU 422/2025 that had been filed by Olea against the Applicant on 4 November 2025, and HC/CWU 431/2025 that had been filed by PETCO against the Applicant on 7 November 2025. In the face of these legal proceedings and demands for repayment, the Applicant claims to require breathing room to pursue the financial rescue deal with the

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6 Letter from counsel for the Applicant dated 18 December 2025 ("Applicant 18 Dec Letter") at Tab 1.

7 Affidavit of Lee Chia Yien dated 11 December 2025 ("UOB Affidavit") at paras 6 and 9 and pp 28–35.

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Rescue Investor.[8] The Applicant therefore filed this Application to obtain a four-month moratorium under s 64 of the IRDA. Such a moratorium would restrain, among others, the passing of a resolution for the winding up of the Applicant, the commencement or continuation of proceedings against the Applicant, and the enforcement of security over any property of the Applicant.

7 In support of this Application, the Applicant prepared a management account ("Management Account") for the financial period ending 21 November 2025, and a preliminary analysis based on the Management Account, containing a liquidation analysis ("Liquidation Analysis") and scheme return analysis, dated 21 November 2025.[9] I will return to these documents in due course.

8 Marin Selatan, Seroja Resources and World Properties support this Application.[10] PETCO, Olea, Aditya and Flex object to this Application.[11] However, only PETCO, Olea and Aditya filed affidavits, and only PETCO and Olea filed written submissions, in these proceedings. UOB, Propeller and Hawks take no position on the Application.[12] However, as explained at the outset, UOB has filed SUM 3633 seeking a carve out of its mortgage over the Tuas Property from the moratorium sought by the Applicant.

9 In relation to the winding up applications filed by Olea and PETCO, the Applicant disputes the alleged debts and takes the position that the applications

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8 Applicant First Affidavit at paras 37–38 and 43.

9 Applicant First Affidavit at paras 58–59 and pp 253–262.

10 Applicant First Affidavit at para 67 and pp 285–287.

11 Affidavit of Aidil Fairiz bin Abdul Rahim dated 15 December 2025 ("PETCO Affidavit") at para 5; Olea's written submissions dated 17 December 2025 ("Olea WS") at para 2; Affidavit of Shyam Zanwar dated 11 December 2025 ("Aditya Affidavit") at para 2.

12 UOB Affidavit at para 10; Applicant 18 Dec Letter at Tab 1.

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are frivolous. The Applicant has since commenced separate arbitration proceedings against Olea and PETCO in relation to the disputes over the alleged debts.[13] Olea and PETCO maintain that the alleged debts are genuine and remain owing by the Applicant.

Applicable legal principles

10 As explained elsewhere, a moratorium of the nature sought in this Application is an extraordinary form of relief. In considering whether such relief is warranted, the court must ultimately balance two countervailing considerations, namely the need to allow sufficient breathing space for an applicant to attempt restructuring and the need to ensure that the interests of its creditors are adequately safeguarded (*Re IM Skaugen SE* [2019] 3 SLR 979 at [44] and [57]; *Re MM2 Asia Ltd* [2025] SGHC 251 ("*Re MM2 Asia*") at [11]).

11 In an application for such a moratorium, the applicant must satisfy both procedural and substantive requirements. The procedural requirements are set out in ss 64(2), 64(3) and 64(4) of the IRDA. As for the substantive requirements, the overall test is whether, on a broad assessment, there is a reasonable prospect of the proposed or intended compromise or arrangement working and being acceptable to the general run of creditors. In this regard, two key factors are of especial salience, namely whether the moratorium application is made in good faith, and whether there is sufficient evidence of creditor support for the compromise or arrangement (where one is proposed) or for the moratorium (where a compromise or arrangement is intended to be proposed) (*Re All Measure Technology (S) Pte Ltd* [2023] 5 SLR 1421 ("*Re All Measure Technology*") at [9]–[10]; *Re MM2 Asia* at [16]).

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13 Applicant First Affidavit at paras 39–42.

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The procedural requirements are satisfied

12 I can deal with the procedural requirements briefly. It is clear to me that they are satisfied. Indeed, it would seem that none of the objecting creditors are suggesting otherwise.[14] I therefore need say no more about this.

The substantive requirements are not satisfied

The Application is not made in good faith

13 On the matter of good faith, the court will look at whether the proposal is sufficiently particularised so as to demonstrate serious intent and thought (*Re All Measure Technology* at [10(a)]; *Re MM2 Asia* at [18]). Based on the evidence before me, there are several indicators suggesting that the Applicant has engaged in a pattern of suspicious asset transactions seemingly with a view to artificially painting a bleak financial position, which raises serious questions regarding the *bona fides* of this Application. I highlight a few salient points.

14 First, in 2023, the Applicant filed HC/OC 649/2023 against Cockett Marine Oil (Asia) Pte Ltd for a significant sum of approximately US$35.03m ("Cockett Claim"). The trial for the Cockett Claim concluded in October 2025 and parties are in the process of filing written submissions. On 1 June 2025, the Applicant apparently partially sold its interest in the proceeds of the Cockett Claim to Seroja Resources for US$4m, which was ostensibly paid to the Applicant across four tranches from 9 June 2025 to 2 July 2025. This US$4m has, according to the Applicant, since been spent on business operations. Under the sale and purchase agreement, the Cockett Claim proceeds will first be used

[14] Applicant First Affidavit at para 71; Applicant Second Affidavit at para 73.

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to repay US$4m to Seroja Resources, and the Applicant will retain 25% of the remainder.[15]

15 The Cockett Claim proceeds seem, on its face, to be an obviously highly valuable asset of the Applicant. Yet, the Applicant decided to partially sell this asset for only US$4m. Even if one assumes the most optimistic outcome that the Applicant is successful in recovering the full US$35.03m, that would mean the Applicant (and, by extension, its creditors) would now only be entitled to approximately US$7.76m of the proceeds. In other words, the Applicant has effectively lost a significant portion of its interest in the Cockett Claim proceeds, at a time when it was purportedly in deep financial difficulty. While it is plausible that the Applicant was in urgent need of the US$4m at the time, the disadvantageous terms of the deal are nevertheless highly suspect, especially in view of the fact that the original US$4m paid to the Applicant is now also conveniently out of reach to the creditors. This is all the more so when considered against the backdrop of mounting creditor pressure that the Applicant was experiencing at the time. From February to June 2025, Olea and PETCO had been demanding payment from the Applicant across extended correspondence.[16] Yet, in this context, the Applicant decided to sell what would otherwise have been a highly valuable asset to creditors in any eventual liquidation or restructuring. This is especially suspect given that, if the aim was to obtain the best possible offer, one would presumably have adopted a sale process similar to an auction, inviting participation from at least some of the disinterested creditors, thereby subjecting the valuable asset to real market

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15 Applicant First Affidavit at paras 21 and 44(a); Applicant Second Affidavit at para 50 and pp 60–70.

16 Affidavit of James George Pedley dated 11 December 2025 ("Olea Affidavit") at pp 19–20 and 28–44; PETCO Affidavit at paras 32–33 and pp 104–115.

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competition, allowing for transparent price discovery, and producing a result that would be in the best interests of the Applicant. This was, however, seemingly not done.

16 There is also the fact that the Applicant's potential recoveries from the Cockett Claim were conveniently not mentioned in the Liquidation Analysis, thereby painting bleak returns for creditors in a liquidation scenario.[17] The Applicant's explanation for this omission is that its accounting policy is to exclude contingent assets from its balance sheet, especially since the Cockett Claim proceeds are contingent on factors such as litigation risk.[18] But instead of including these disclaimers in the Liquidation Analysis, which it could have easily done (in the same way as the Light Face receivables which I will discuss later) and arguably ought to have done, the Applicant conspicuously elected to omit any mention of the Cockett Claim altogether in the Liquidation Analysis. Coupled with the fact that the Applicant initially did not even mention in its first supporting affidavit that it may receive 25% of the proceeds in excess of US$4m, and that this was only highlighted in the second supporting affidavit after objecting creditors raised questions regarding the Cockett Claim proceeds, it is hard not to conclude that such an omission was initially intended to shield the true value of the Cockett Claim from the creditors.

17 I also make a passing observation that, whilst the Applicant claims the sale and purchase agreement with Seroja Resources was entered into on 1 June 2025, the agreement exhibited in its second supporting affidavit is dated 11 December 2025, which is *multiple months* after the relevant transactions took

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17 Applicant First Affidavit at pp 260–262.

18 Applicant Second Affidavit at para 50(b).

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place.[19] This further lends a problematic gloss to the partial sale of the Applicant's interest in the Cockett Claim proceeds. It strains credulity that a multi-million-dollar transaction was supposedly concluded without any documentation for many months even as millions of dollars were exchanged, only for signatures and agreements to materialise just four days before the second supporting affidavit was due to be filed. That would *ipso facto* mean that the first supporting affidavit affirmed on 4 December 2025 made reference to this transaction even before the sale and purchase agreement was executed in writing. The timing, with respect, powerfully suggests that the document was signed as an afterthought in order to advance a non-factual narrative. Counsel for the Applicant before me explained that, prior to the written sale and purchase agreement which was only prepared based on counsel's own instructions to the Applicant, the agreement was in fact a purely oral one. Aside from this being evidence from the Bar, I find it incredibly difficult to believe that commercial parties of this nature would agree to transfer millions of dollars off the back of purely verbal communications. In the premises, the circumstances surrounding the Cockett Claim proceeds and, in particular, its ostensible sale to Seroja Resources appear, in my judgment, to be highly suspect.

18 Second, as alluded to earlier, the Applicant had a leasehold interest in the Tuas Property ending in July 2036. According to the Applicant, it decided to sell the property to relieve its financial pressures, and thus entered into an option to purchase ("OTP") with Seroja Resources on 7 August 2025 for a sale price of S$3.8m. A deposit of approximately S$1.03m has since been paid by Seroja Resources, which has since been used for the Applicant's operating expenses.[20] According to the Applicant, that is why in the Liquidation Analysis,

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19 Applicant Second Affidavit at pp 60–62.

20 Applicant First Affidavit at para 62.

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the proceeds from the sale of the Tuas Property only have an estimated realisable value of approximately US$2.15m (*ie*, the sale price minus the deposit).[21]

19 Even though the Applicant's first supporting affidavit explicitly said that "[t]he OTP has been exercised",[22] counsel for the Applicant before me contended that this was an error and the OTP has not yet been exercised. Apart from the fact that this is evidence from the Bar, this statement renders the transaction even more puzzling, as it would mean that Seroja Resources had deposited approximately 27% of the full sale price simply for the opportunity to exercise the OTP, a state of affairs which seems commercially unlikely. Just as importantly, it would suggest that the Applicant's contention that it is in the process of obtaining approval from JTC Corporation for the sale is likely not true as the document that would kick start such an approval process, *ie*, the OTP, has yet to be signed.[23]

20 The concerns I had articulated above in relation to the Cockett Claim proceeds are equally applicable here. At a time when the Applicant was in deep financial difficulty and facing mounting creditor pressure, the Applicant once again elected to sell a significant asset, and the consideration paid for it has apparently gone into a "black hole" out of reach from the creditors. The fact that the purchaser of both the Cockett Claim proceeds and the Tuas Property is Seroja Resources is also not lost on me, which raises questions over why this

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21 Applicant First Affidavit at para 62 and p 260; Applicant Second Affidavit at para 49(b) and pp 49–58.

22 Applicant First Affidavit at para 62(b).

23 Applicant First Affidavit at para 62(c).

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specific creditor is buying multiple significant assets from the Applicant in a short span of time.

21 It is also quite alarming that UOB, which has had a registered mortgage over the Tuas Property since September 2022, was not even accorded the courtesy of a notification about the sale of the property, and only found out about it from this Application. There are question marks over why UOB was kept in the dark about the transaction and whether the deposit was properly used by the Applicant for operating expenses or whether it should have been ring-fenced for UOB.[24] There is also the further issue of how the Applicant appears to have once again not taken a publicised and competitive sale process. While I accept that the sale price of S$3.8m to Seroja Resources is not inherently suspicious, since a valuation of the Tuas Property conducted in July 2024 reported the property as having an open market value of a similar quantum,[25] a public competitive sale process would self-evidently have been prudent on these facts, given the need to maximise value at a time when the Applicant was purportedly in extremely dire financial straits. In the round, the circumstances surrounding the Tuas Property are also highly suspicious.

22 Third, according to the Applicant, it sold its wholly-owned subsidiary, World Properties, to Seroja Pte Ltd on 30 May 2025.[26] However, the Applicant has not provided any information, nor exhibited any evidence, regarding the terms of this sale and what consideration was provided for it. If such consideration exists, then either the Applicant has more assets than what is has disclosed in its Liquidation Analysis, or these assets have, once again, been lost

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24 UOB Affidavit at paras 13 and 14.

25 UOB Affidavit at p 42.

26 Applicant First Affidavit at para 66; Applicant Second Affidavit at para 59.

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into a "black hole" without any paper trail, which then raises the same questions I have already highlighted in relation to the Cockett Claim proceeds and the sale of the Tuas Property. Once again, the timing of this sale is suspicious as the Applicant was in financial difficulty and facing mounting creditor pressure at the time. The identity of the purchaser is also suspicious; Seroja Pte Ltd and Seroja Resources are both wholly owned by one Tang Kok Wah Jeffrey ("Mr Tang") whom Mr Kingsley admits to being well-acquainted with.[27] All of these circumstances become even more perplexing when one takes into account the fact that World Properties now features as a creditor of the Applicant, which means that, on the face of it, a subsidiary sold is now owed moneys when no evidence of any moneys was even furnished for the initial sale.

23 Fourth, on 7 April 2025, the Applicant obtained a default judgment against Surge V Ltd ("Surge") in HC/OC 181/2025 for approximately US$3.8m. According to Olea, the Applicant had previously agreed to use a portion of such proceeds to repay Olea. Despite multiple attempts by Olea's lawyers to obtain updates on the enforcement proceedings, such information was not forthcoming.[28] Curiously, the default judgment against Surge was not mentioned at all in the Liquidation Analysis nor in the Applicant's first supporting affidavit. It was only after Olea raised this matter in its reply affidavit that the Applicant, in its second supporting affidavit, made a bare assertion that it has since recovered the judgment amount but has used it all on operating expenses.[29]

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27 Applicant Second Affidavit at para 59.

28 Olea Affidavit at paras 46–49 and pp 19–20.

29 Applicant Second Affidavit at para 50(d).

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24 Once again, it is highly suspicious how the Liquidation Analysis was entirely silent about such a significant asset. It is also highly suspicious how such a significant sum, which otherwise would have been distributed to creditors in any liquidation or restructuring, has been lost to a "black hole" under the guise of "operating expenses", for which no information has been provided to justify its legitimacy. There are therefore serious questions over the propriety of the preparation of the Liquidation Analysis and the handling of the proceeds of the default judgment against Surge.

25 Fifth, in the Liquidation Analysis, the Applicant estimated the realisable value of its approximately US$11.6m receivables from Light Face Trading Co Ltd ("Light Face") to be "nil" "due to the political situation in Myanmar".[30] The Applicant claims that it has continuously followed up with Light Face on the receivables, including *via* phone calls, and has received no response, and thus is of the view that Light Face has likely ceased operations perhaps due to the political situation in Myanmar.[31] However, this is a bare assertion, and is speculative at best. The Applicant has provided no evidence of its attempts to recover these clearly valuable receivables. For a potential asset that is multiple times the size of the Rescue Sum, one would have thought that a more detailed explanation would have been forthcoming from the Applicant.

26 Furthermore, according to the Applicant, the Liquidation Analysis was based on the Management Account which are both dated 21 November 2025, and yet the Light Face receivables are in fact recorded in the balance sheet in the Management Account.[32] This puts into question whether the Applicant truly

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30 Applicant First Affidavit at p 261.

31 Applicant Second Affidavit at para 49(a).

32 Applicant First Affidavit at para 58 and p 253.

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believed the realisable value of the receivables to be "nil" (as there is no suggestion beforehand of any attempt to write off the debt despite the political situation in Myanmar being a longstanding one), or whether this was yet another convenient attempt to paint a particularly bleak financial picture in the Liquidation Analysis.

27 There is also, as I alluded to earlier, an oddity in the Applicant claiming that contingent assets like the Cockett Claim proceeds are excluded from the balance sheet by virtue of litigation risk, and in the same breadth including the Light Face receivables in the balance sheet despite itself claiming there to be a high risk that such receivables cannot be realised. In view of these questions over the Light Face receivables, one understandably has serious reservations over whether the Liquidation Analysis had been prepared in good faith.

28 Seen holistically, it appears that a series of highly suspicious asset transactions took place within the short span of the last few months, for which sizeable amounts of money have been received by the Applicant but have allegedly all been spent, and the Applicant's Liquidation Analysis fails to comprehensively track the details of these transactions. Indeed, based on the Cockett Claim proceeds, the deposit from the sale of the Tuas Property and the default judgment against Surge alone, the Applicant would have received at least US$8.6m (and even this appears to be a somewhat conservative estimate) over the last few months. Yet the Applicant claims to have spent all these moneys and to still be cash-strapped and unable to pay its creditors.

29 What exactly was the Applicant spending these moneys on and why? In this regard, I note that the Applicant is not, it would seem, a company that typically requires tens of millions of dollars to run. In the profit and loss statement in its Management Account, its total expenses in 2025 are recorded

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as approximately US$6.68m, of which approximately US$6.49m is attributed to bad debts and deposits being written off.[33] Put another way, the Applicant's *actual* operating expenses in monetary terms over the course of 2025 (once one discounts pure accounting entries for bad debts and deposits written off) would have been less than US$200,000. Yet, the Applicant would have this court believe, with no supporting documentation, that it was able to burn through a sum of at least US$8.6m over the last few months. Before me, counsel for the Applicant argued that one must also take into account the gross loss of approximately US$1.64m recorded in the profit and loss statement. Even if true, that still does not explain how the sum of US$8.6m was spent in the last few months. Indeed, as I had explained to counsel for the Applicant, there is simply no permutation of the information in the profit and loss statement which would be able to rationalise these numbers. This is even more shocking when one takes into account the fact that the purported accelerated cash burn would have been taking place at a time when the Applicant seems to be actively cutting costs to save its financial position.[34] All of these raise obvious question marks about what is going on behind the scenes and makes it impossible to ignore the very real possibility that this Application was precipitated by illegitimate asset stripping and the shielding of valuable assets to paint a bleak financial picture in the Liquidation Analysis. The balance of evidence necessarily requires the court to take an especially wary and sceptical view of the Applicant's constant refrain of "operating expenses" being a reason for many millions of dollars being seemingly utilised or expanded without much basis.

30 For completeness, I note that the Applicant has since taken the position that any moneys it can recover from the Cockett Claim proceeds and the Light

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33 Applicant First Affidavit at p 256.

34 Applicant Second Affidavit at para 47.

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Face receivables will also be distributed to scheme creditors under the proposed scheme of arrangement.[35] However, this is besides the point. It is all too convenient for the Applicant to retrospectively say that these moneys will be distributed to scheme creditors after glaring omissions were pointed out by the objecting creditors. Indeed, any other position would have just raised even more glaring concerns about the motivations surrounding this Application. Furthermore, to the extent such moneys would be distributed to creditors under both the liquidation scenario and scheme scenario, that puts into question whether the potential recovery under the liquidation scenario is truly as bleak, and whether the potential recovery under the scheme scenario is that much better, as the Applicant claims it to be. Indeed, as counsel for PETCO pointed out before me, there is no evidence that the Rescue Investor has agreed to include the Cockett Claim proceeds and Light Face deliverables in the distribution to scheme creditors, since the term sheet which it signed made no reference to those moneys. Since the intended plan is for the Rescue Investor to eventually take over the Applicant, there is a distinct possibility that it might not follow through on the rescue deal unless it is assured that it can retain the Cockett Claim proceeds and Light Face deliverables as assets of the Applicant. In other words, the Applicant's assurance that the Cockett Claim proceeds and Light Face deliverables will be distributed to scheme creditors is itself in question.

31 For these reasons, I am unable to accept, based on the evidence before me, that this Application had been brought in good faith.

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[35] Applicant's written submissions dated 17 December 2025 ("AWS") at para 10.

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There is insufficient evidence of creditor support

32 On the matter of creditor support, in my view, there is insufficient evidence of the Applicant's attempts at canvassing creditor support, let alone objective evidence of such support to begin with. I briefly explain.

33 Apart from the ten creditors whose positions I have set out at [8] above, there is very little information as to the positions of the remaining 19 creditors. Of course, the court is not supposed to engage in a bean-counting exercise, and should instead make a broad assessment, having regard to the quality of the support (*Re MM2 Asia* at [24]; *Re All Measure Technology* at [10(b)(iii)]). But the simple point I make is that this lack of information regarding the position of many creditors is perhaps symptomatic of the lack of any meaningful attempt by the Applicant to engage the creditors regarding the proposed scheme. Apart from a bare assertion that it "is continuing to engage with its creditors on the proposed restructuring",[36] no evidence has been adduced to demonstrate that the Applicant has meaningfully reached out to the creditors. Aditya and Olea maintain that the Applicant did not engage or consult them on the proposed scheme prior to the filing of this Application.[37] The Applicant does not appear to dispute this, but appears to imply that this is excusable because the term sheet with the Rescue Investor was only recently signed on 20 November 2025, and because it is focused on discussions with the Rescue Investor and defending against unmeritorious claims. The Applicant says it needs the moratorium so that it has the breathing space to engage its creditors.[38] With respect, this is circular reasoning. Adequate creditor support must first be established before

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36 Applicant First Affidavit at para 69.

37 Aditya Affidavit at para 28; Olea Affidavit at para 53.

38 Applicant Second Affidavit at para 57.

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the moratorium can be granted. This test would be unworkable if an applicant can contend that it can only obtain creditor support for a moratorium or the proposed compromise or arrangement *after* the moratorium is granted. If this were so, there would simply be no requirement for creditor support at all. The Applicant filed this Application knowing full well what the law requires; it does not lie in its mouth to now say that it has been too busy to meet those requirements and that the court should close one eye to such deficiencies. Even if this has been a difficult time for the Applicant, which to be fair, I accept, that simply does not explain why *so little evidence* has been adduced to demonstrate its attempts at engaging the remaining 19 creditors.

34 I now turn to the objecting creditors specifically. As I noted earlier, PETCO, Olea, Aditya and Flex are the Applicant's second, third. seventh and ninth largest unsecured creditors, with a combined debt of approximately US$10.32m. The Applicant purports to dispute the debts to PETCO and Olea, and therefore challenges their standing as creditors and the weight to be accorded to their objections.[39] At this juncture, I should stress that this is not the right forum to make any formal finding on the validity of the debts. That is a matter for either the arbitration proceedings instituted by the Applicant, the winding up applications instituted by PETCO and Olea, or other civil claims pertaining to the alleged debts. However, what I can and should take into account is the *timing* of the Applicant's apparent dispute regarding the alleged debts.

(a) In relation to the debt allegedly owing to Olea, there is evidence indicating that the Applicant initially agreed to a repayment plan in

[39] AWS at para 57.

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February 2025 and made payments in accordance with the plan, although it stopped making payments after a few instalments.[40]

(b) In relation to the debt allegedly owing to PETCO, there is evidence that after PETCO issued its letter of demand, the Applicant had made several proposals to repay PETCO in part by cargo of equivalent value and instalments.[41]

35 Put another way, until recently, even the Applicant accepted that it substantially owed these debts. Yet today, the picture painted is a different one. That the Applicant now claims to dispute the debts allegedly owing to Olea and PETCO undeniably has an opportunistic feel to it. While I accept it is entirely possible to have legitimate disputes regarding the existence and quantum of claims, it seems all too convenient that the Applicant now disputes claims from two of its three largest creditors, who would otherwise have an influential say over the workability of the intended scheme which it only recently decided to pursue, when the Applicant itself appeared to have substantially accepted its obligation to pay those debts previously. In my view, this not only puts into question the *bona fides* of this Application, it also lends credence to the substance of PETCO's and Olea's objections to this Application.

36 The position of the objecting creditors should also be contrasted with that of the supporting creditors. I accept that, *on its face*, the fact that the Applicant's largest creditor, Marin Selatan (which is owed approximately 49% of the Applicant's total unsecured debt), supports this Application, is a strong factor in favour of granting the Application. However, the fact that this is the

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40 Olea Affidavit at paras 15–19 and pp 19–20 and 28–38.

41 PETCO Affidavit at paras 32–33 and pp 95–115.

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Applicant's largest creditor by a mile also calls for a degree of transparency as to the basis of the debt. Unfortunately, across the Applicant's two supporting affidavits, there is no explanation regarding how these debts accrued, apart from claiming that there is a "substantial commercial relationship".[42] It is not as if Marin Selatan is a financial institution for which the nature of the Applicant's debts to it would be self-evident.

37 The lack of information regarding the debt to Marin Selatan is especially suspect, especially when accompanied by the objecting creditors' arguments that Marin Selatan is a related creditor. To be clear, this is not the right forum to make any conclusive finding as to whether any particular creditor is a related creditor. That issue is more appropriately ventilated if and when a proper scheme application is before the court. Nonetheless, in the face of allegations that a certain creditor is biased, objective evidence regarding the existence and quantum of the debt owed to that creditor would go some way to disabusing any misconceptions about the legitimacy of the debt. The Applicant must have realised this, and yet such information was not made available in the present case. The same problem afflicts Seroja Resources and World Properties, although to be fair, the debts owed to them are significantly smaller, and in that sense, the issue, whilst still pertinent, is of less salience in relation to them. Before me, counsel for the Applicant said that these debts were inter-company transactions from when Marin Selatan and World Properties were in the same corporate group as the Applicant. Aside from being evidence from the Bar, such an explanation provided no meaningful insight as to the legitimacy of the debts.

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42 Applicant Second Affidavit at para 37.

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38 It is true that, down the line, there might be other mechanisms to verify the legitimacy of these debts, such as the proof of debt procedure,[43] but that does not mean that this court, at the moratorium application stage, blindly gives the Applicant the benefit of the doubt, especially when no rebuttal evidence has been put forward by the Applicant even after rather pointed questions have been raised about its relationship with the creditors who support the Application. Indeed, as counsel for Olea pointed out before me, the court's role in a moratorium application is to assess the level of creditor support, and that must mean that the court has at least a modicum of confidence as to the legitimacy of each creditor's status.

39 Regardless of whether the three supporting creditors are formally classified as related creditors, they undeniably have a historical or present relationship with the Applicant, all of which raises some serious reservations. The Applicant used to be a subsidiary of Marin Selatan until 1 July 2022 when it became wholly owned by Mr Kingsley. Mr Kingsley's brother, Kingston Khoo Yew Leng, is a minority shareholder and director of Marin Selatan. Indeed, as recently as 20 May 2025, there is correspondence from the Applicant to PETCO that it would use proceeds from lawsuits instituted by Marin Selatan to pay off the Applicant's debts to PETCO.[44] World Properties used to be wholly owned by the Applicant until 30 May 2025 when it was sold to Seroja Pte Ltd (see [22] above). The ultimate beneficial owner of Seroja Resources, Seroja Pte Ltd and World Properties is Mr Tang whom Mr Kingsley is well-acquainted with.[45] Seroja Resources and Seroja Pte Ltd have also purchased multiple significant assets from the Applicant in recent months (see [14]–[22] above).

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43 Applicant Second Affidavit at para 35; AWS at para 43.

44 PETCO Affidavit at p 105.

45 Applicant First Affidavit at para 65; Applicant Second Affidavit at paras 36 and 59.

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Thus, it seems the Applicant has only made serious attempts to engage creditors which it already has some obvious business associations and relationships with. Contrasted with its omission to engage the other creditors, it suggests that there was no genuine attempt by the Applicant to test its proposal against independent scrutiny when canvassing creditor support. Seen in this light, the court must naturally be sceptical about the quality of the supporting creditor's support, and about the Applicant's motivations for specifically canvassing support from only seemingly associated entities and, it would appear, very little to no one else.

40 It should be remembered that the very purpose of a moratorium in this context is to a give a distressed entity breathing room to put forth a meaningful proposal that is likely to find support from its genuine and legitimate creditor base. Viewed in this context, the picture that emerges is troubling. Creditors with whom the Applicant has a historical or present relationship with are now presented as major creditors despite there being scant evidence as to the specific nature of their commercial dealings with the Applicant. Conversely, seemingly independent creditors now apparently have their debts disputed, with the contention being that they should not be seen as creditors to begin with. Taken together, the Applicant's attempt to frame this case as one where there is sufficient creditor support is artificial and disingenuous.

41 For these reasons, I am unable to conclude that there is sufficient creditor support to warrant granting the Application.

Conclusion

42 I make one final point. Each of the points I have raised may perhaps have benign explanations to them. However, when put together, it is hard not to infer a very real risk that the Applicant is using the moratorium and scheme

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process to sideline genuine creditors, to sell assets at a undervalue to associated parties, and to dissipate any monies received, or to use such monies in a selective manner to prefer some creditors over others. As can be seen above, there is a consistent trend of selling assets in seemingly questionable circumstances to associated entities, of deeming valueless ostensibly deeply valuable assets, of downplaying assets with a view, it would seem, to painting as dire a picture as possible of the Applicant's financial position, and of many millions suddenly being unaccounted for by virtue of "operating expenses". There are also real concerns that the Applicant is seemingly looking to "right-size" the creditor base by electing to remain silent about the nature of the debts to creditors who support the Application despite serious questions having been raised, while at the same time opportunistically disputing the debts to creditors who object to the Application.

43 If these reservations have any modicum of truth to them, and *prima facie*, I have to confess, they seem compelling when the evidence is seen holistically, then should the Applicant indeed be insolvent, it may be necessary for it to be liquidated in order to allow for these transactions and relationships with creditors to be investigated. It would be obvious that this would require an independent party to probe, *ie*, a liquidator, which further suggests that a scheme of arrangement may not be the most sensible way forward if the Applicant is genuinely financially distressed.

44 Finally, counsel for the Applicant submitted before me that any present deficiencies in the level of disclosure in this Application can be subsequently remedied by further disclosures either made pursuant to s 64(6) of the IRDA or in the subsequent scheme application. He submitted that the choice should be left to the creditors, at the scheme application stage and with the benefit of the subsequent disclosures, whether to proceed with the scheme. With respect, I

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disagree. The substantive requirements for a moratorium application are designed to ensure that only meaningful *bona fide* proposals ought to be granted the benefit of a moratorium. That is a question for the court to determine. Having failed to meet those substantive requirements, an applicant cannot then say that the decision should be left to creditors at the scheme stage, and that it should in any event still enjoy the benefits of a moratorium in the interim. Indeed, if that were so, the court supervision process and its role in granting such moratoria would be largely illusory.

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45 For the above reasons, I dismiss the Application. That being the case, SUM 3633 is rendered moot, and I accordingly dismiss it as well. I also make the consequential costs orders outlined at the end of the hearing.

Mohamed Faizal
Judicial Commissioner

Lee Lieyong Sean and Lock Hui Xuan (Delta Law Corporation) for the applicant;
Teo Hee Sheng Christian and Yong Zhixin Esther (Watershed Law LLC) for PETCO Trading Labuan Co Ltd;
Ting Yong Hong and Chew Jing Wei (Rajah & Tann Singapore LLP) for Olea Global Pte Ltd;
Propeller Fuels Ltd absent and unrepresented;
Ng Yeow Khoon (Shook Lin & Bok LLP) for United Overseas Bank Ltd;
Aditya Birla Global Trading (Singapore) Pte Ltd absent and unrepresented;
Ooi Chit Yee (Virtus Law LLP) for The Hawks DMCC;
Flex Commodities FZCO absent and unrepresented;
Fan Kin Ning (Tan Kim Seng & Partners) for NEC Capital (watching brief);
Thomas Benjamin Lawrence (Allen & Gledhill LLP) for Oilmar DMCC (watching brief).

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