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

[2025] SGHC 43

Originating Claim No 917 of 2024 (Summonses Nos 3783, 3784 and 3785 of 2024 and 114, 115 and 116 of 2025)

Between

(1) Zhong Renhai
(2) Lee Fung International Pte Ltd
(3) Panda Enterprise Pte Ltd

… *Claimants*

And

(1) Goh Sock Ngee
(2) Lim Wee Siew
(3) Eileen Ealham
(4) Yap Shin Tze
(5) Singa Wealth (BVI) Holdings Ltd

… *Defendants*

JUDGMENT

[Civil Procedure — Mareva injunctions — Real risk of dissipation]
[Civil Procedure — Mareva injunctions — Abuse of process]
[Civil Procedure — Mareva injunctions — Full and frank disclosure]
[Civil Procedure — Proprietary injunction — Serious question to be tried]
[Civil Procedure — Proprietary injunction — Balance of convenience]

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v
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[2025] SGHC 43

General Division of the High Court — Suit No 917 of 2024 (Summonses Nos 3783, 3784 and 3785 of 2024 and 114, 115 and 116 of 2025)
Tan Siong Thye SJ
11 February 2025

14 March 2025 Judgment reserved.

Tan Siong Thye SJ:

Introduction

1 In this case, the first claimant, Mr Zhong Renhai ("Zhong"), together with the second claimant, Lee Fung International Pte Ltd ("LFI") and the 3rd claimant, Panda Enterprise Pte Ltd ("Panda Enterprise") (collectively referred to as the "Claimants") seek for this court to uphold HC/ORC 6146/2024 ("ORC 6146"). ORC 6146 is a court order that grants the Claimants a worldwide freezing order ("WFO") and proprietary injunctions ("PI") against the first defendant, Ms Goh Sock Ngee ("Shannon"), the second defendant, Ms Lim Wee Siew ("Alice"), the third defendant, Ms Eileen Ealham ("Eileen"), the fourth defendant, Mr Yap Shin Tze ("Richard") and the fifth defendant, Singa Wealth (BVI) Holdings Ltd ("Singa Wealth") (collectively referred to as the "Defendants").

2 ORC 6146 was granted by the court as a result of the Claimants' application in HC/SUM 3431/2024 ("SUM 3431"). On 26 November 2024, at the *ex parte* hearing of SUM 3431, I granted the Claimants the WFO and PI. Thereafter, on 30 December 2024, all the Defendants filed HC/SUM 3783/2024 ("SUM 3783"), HC/SUM 3784/2024 ("SUM 3784") and HC/SUM 3785/2024 ("SUM 3785") to request for a stay of enforcement; and subsequently, on 11 January 2025 they filed HC/SUM 114/2025 ("SUM 114"), HC/SUM 115/2025 ("SUM 115") and HC/SUM 116/2025 ("SUM 116") to set aside ORC 6146. On 11 February 2025, the Defendants appeared before me at an *inter partes* hearing.

3 Having heard the parties and considered their comprehensive written submissions, I am in favour of upholding the WFO on the same terms against all the Defendants; upholding the PI on the same terms against Shannon and Singa Wealth; upholding the PI on varied terms against Alice and Eileen; and discharging the PI against Richard.

Facts

The parties

4 Zhong is an ultra-high net worth Chinese businessman. LFI and Panda Enterprise are Singapore-based companies, beneficially owned by Zhong. LFI forms part of Zhong's offshore business that supports Zhong's onshore business, which is part of a large petrochemical production and trading conglomerate in the People's Republic of China ("PRC"). LFI, and its employees, provide accounting and finance support for Zhong's onshore PRC business' trades and operations. Panda Enterprise is Zhong's family office set up in Singapore regulated under the Monetary Authority of Singapore's Fund Tax Incentive Schemes for Family Offices Scheme.

5 Shannon, Alice, Eileen and Richard (collectively referred to as the "Employees") were former employees of LFI. Singa Wealth was a British Virgin Islands ("BVI") entity set up and controlled by the Employees, who were all shareholders. The Employees were the only Singapore-based employees of LFI at the material time between May 2015 and February 2024.

Background to the dispute

6 During many years of the employer-employee relationship, Zhong placed a great deal of trust and confidence in Shannon, the sole director of LFI. However, sometime in December 2023, that trust shattered upon Zhong's discovery that the Employees had allegedly misappropriated monies from LFI and Panda Enterprise. This led to the removal and resignation of all the Employees from LFI and Panda Enterprise, as well as other related entities, by January 2024.

7 Sometime in end-January 2024, the Claimants engaged external forensic accountants, Alvarez & Marsal ("A&M"), to independently investigate and uncover in further detail the events of the alleged misconduct by the Employees. The investigations were completed on 25 October 2024, after about nine months. These investigations led A&M to conclude that S$74 million had been misappropriated and wrongfully paid out from either Zhong's or LFI's bank accounts to the Defendants. These findings were revealed in a report prepared by A&M (the "Report").

8 The Claimants, in reliance on the findings of the Report, took action to recover the monies from the Defendants *vide* HC/OC 917/2024. The Claimants took out SUM 3431 which was an *ex parte* application seeking for the WFO and PI against the Defendants in accordance with paragraph 71(3) of the

Supreme Court Practice Directions ("SCPD 2021"). SUM 3431 was taken out in support of the main suit in HC/OC 917/2024 against the Defendants.

Procedural history

9 After the *ex parte* hearing on 26 November 2024, the court granted the WFO and PI against the Defendants in ORC 6146. Subsequently, on 30 December 2024, the Defendants took out SUM 3783, SUM 3784 and SUM 3785 to request for a stay of ORC 6146. On 11 January 2025, the Defendants filed SUM 114, SUM 115 and SUM 116 to discharge ORC 6146 and to set aside the WFO and the PI.

The parties' cases

10 The parties have made comprehensive and lengthy submissions to defend their respective cases. I shall summarise their respective grounds and elaborate on them at the relevant portions of the judgment.

Defendants' case

11 The five Defendants were represented by three different sets of counsel, who all seek to stay and set aside ORC 6146 for the respective Defendants. Basically, the Defendants assert that the conditions for granting the WFO and the PI are not met in the present case.

12 For the WFO, the Defendants assert that the Claimants have failed to show that the conditions for the issuance of the WFO are met, namely that there is a good arguable case and a real risk of dissipation ("RROD"). Further, they argue that the WFO application was an abuse of process and that there was an inordinate delay in applying for the WFO, and that the Claimants had also failed to comply with the SCPD 2021, namely, failure to alert the Defendants two

hours before the *ex parte* hearing. Additionally, the Defendants argue that there was material non-disclosure of pertinent facts at the *ex parte* hearing.

13 For the PI, the Defendants assert that there are no serious questions to be tried and that the balance of convenience lies in favour of discharging the PI.

Claimants' case

14 The Claimants' case is that ORC 6146 should be upheld. They argue that they have shown a good arguable case against all the Defendants. Further, they claim that there is a RROD by the Defendants as they were dishonest and were in a conspiracy to defraud the Claimants. According to the Claimants, this justifies the continuance of the order for WFO. They also argue that their application was not an abuse of process, and the delay was justified. Further, the Claimants argue that there was no material non-disclosure of the relevant facts at the *ex parte* hearing.

15 With regard to the PI, the Claimants argue that there are serious questions to be tried and that the balance of convenience lies in favour of retaining the PI.

The law

The law in respect of Worldwide Freezing Orders

16 A WFO is a coercive and aggressive injunction, which has been famously alluded to as one of the "nuclear weapons" of civil litigation (*Bouvier, Yves Charles Edgar and another v Accent Delight International Ltd and another and another appeal* [2015] 5 SLR 558 ("*Bouvier*") at [1]). Therefore, a WFO should only be issued with great caution and in an appropriate and fair situation.

17 The test to see if a WFO, otherwise known as a Mareva injunction, should be granted is well established (*Bouvier* at [36]). The two pertinent limbs of the test which are challenged in this application are: (a) is there a good arguable case on the merits of the Claimants' claim? and (b) is there a RROD?

18 With regard to the first limb, a good arguable case is one that is "more than barely capable of serious argument, but not necessarily one which the judge considers would have better than 50 per cent chance of success" (*Bouvier* at [36]; citing *Ninemia Maritime Corporation v Trave Schiffahrtgesellschaft GmbH und Co KG (The Niedersachsen)* [1983] 2 Lloyd's Rep 600 at 605).

19 With respect to the second limb, to establish a RROD, a claimant must show that there is a real risk that the defendant will dissipate his assets to frustrate the enforcement of an anticipated judgment of the court should the claimant eventually succeeds in his claim (*Bouvier* at [36]). There must be some "solid evidence" to demonstrate such a risk, and not just bare assertions to that effect (*Bouvier* at [36]; citing *Guan Chong Cocoa Manufacturer Sdn Bhd v Pratiwi Shipping SA* [2003] 1 SLR(R) 157 at [18]). In ascertaining whether a RROD exists, the Court of Appeal in *JTrust Asia Pte Ltd v Group Lease Holdings Pte Ltd and others* [2018] 2 SLR 159 ("*JTrust*") at [65] listed several factors to consider, namely:

> (a) the nature of the assets which are to be the subject of the proposed injunction, and the ease with which they could be disposed of or dissipated;
>
> (b) the nature and financial standing of the defendant's business;
>
> (c) the length of time the defendant has been in business;

(d) the domicile or residence of the defendant;

(e) if the defendant is a foreign entity, the country in which it is registered and the availability of reciprocal enforcement of local judgments or awards in that country;

(f) the defendant's past or existing credit record;

(g) any intention expressed by the defendant about future dealings with his local or overseas assets;

(h) connections between a defendant and other companies which have defaulted on awards or judgments;

(i) the defendant's behaviour in respect of the claims, including that in response to the claimant's claims; and

(j) good grounds for alleging that the defendant has been dishonest.

Ultimately, it is whether the Defendants have any characteristics which suggest that they can and will frustrate the judgment.

20 To rely on the dishonesty factor to establish a RROD, the Court of Appeal in *Bouvier* at [94] stated as follows:

> 94 In our judgment, a well-substantiated allegation that a defendant has acted dishonestly can and often *will*, as we have said, be relevant to whether there is a real risk that the defendant may dissipate his assets. But we reiterate that in each case, it is incumbent on the court to examine the precise nature of the dishonesty that is alleged and the strength of the evidence relied on in support of the allegation, keeping fully in mind that the proceedings are only at an interlocutory stage and assessing, in that light, whether there is sufficient basis to find a real risk of dissipation. That alone is the justification which lies at the heart of the court's jurisdiction to grant Mareva injunctions. An allegation of dishonesty does not in itself form

> a substitute for an examination of the degree of risk of dissipation unless, as we have said, that allegation is of a nature or characteristic that sufficiently bears upon the risk of dissipation. …
>
> [emphasis in original]

21 The Defendants also allege abuse of process by the Claimants. The law on abuse of process in the context of a WFO application is explained in *Bouvier* at [107]. If the applicant of a WFO has failed to "apply for the relief promptly" or used the application and the resultant WFO as a tool of oppression "calculated to pressurise the defendants and bring them to their knees", it could be considered an abuse of process. The court will adopt an examination of the factors leading up to, and even after, the order is granted to determine if such an abuse has occurred.

22 Further, the Defendants allege that the non-disclosure of certain information was material and should be sufficient grounds to discharge the WFO. In the context of *ex parte* applications, it is trite that there is a duty on the part of the applicant to make a full and frank disclosure (*Tay Long Kee Impex Pte Ltd v Tan Beng Huwah (trading as Sin Kwang Wah)* [2000] 1 SLR(R) 786 ("*Tay Long Kee*") at [21]). This is also enshrined in O 13 r 1(5) of the Rules of Court 2021, which imposes on an applicant for an injunction a "duty to disclose to the court all material facts that [the applicant] knows or reasonably ought to know, including any matter that may affect the merits of [the applicant's] case adversely". If there has been material non-disclosure in the form of deliberate suppression, instead of innocent omission, it must be a special case for the court to exercise its discretion not to discharge the *ex parte* injunction (*Tay Long Kee* at [35]). In deciding whether it is such a "special case", the court must exercise its discretion to determine whether the "punishment" imposed by way of the discharge would outweigh the

"culpability" of the material non-disclosure (*Bahtera Offshore (M) Sdn Bhd v Sim Kok Beng and another* [2009] 4 SLR(R) 365 ("*Bahtera*") at [44]).

The law in respect of Proprietary Injunctions

23 PIs are granted in support of a claim for proprietary relief and fasten on the specific asset in which the claimant asserts a proprietary interest. For a PI to be granted, the applicant needs to show that: (a) there is a serious question to be tried; and (b) the balance of convenience lies in favour of awarding the PI.

24 To show a serious question to be tried, the applicant needs to show that they have a seriously arguable case that they have a proprietary interest in the asset subject to the PI (*Bouvier* at [151]).

25 To show that the balance of convenience lies in favour of awarding the PI, the court will engage in a two-stage analysis: (a) first, the court will consider whether damages would be an adequate remedy for the respective parties; and (b) second, if damages would not be an adequate remedy, or if the court is doubtful about the adequacy of damages, the court will consider where the balance of convenience lies (*Leong Quee Ching Karen v Lim Soon Huat and others* [2024] 4 SLR 862 ("*Karen Leong*") at [42]).

26 Damages would be an adequate remedy where the loss caused to the claimants remains quantifiable, even if the assets are transferred (*Karen Leong* at [44]).

27 If damages turn out to be inadequate, the balance of convenience will then be assessed. The balance of convenience is assessed by considering the potential prejudice the claimant may suffer if the injunction is not granted,

against the prejudice to the defendant in the event that the injunction is granted and the applicant's hypothesis is refuted at the trial (*Bouvier* at [161]).

Issues to be determined

28 The issues to be determined with regard to the WFO are as follows:

(a) whether the Claimants can establish a good arguable case against the Defendants;

(b) whether there is a real risk of dissipation ("RROD");

(c) whether the application was an abuse of process which includes the delay in making the application and the failure to comply with the SCPD 2021; and

(d) whether the non-disclosure was material and sufficient to set aside the WFO.

29 The issues to be determined with regard to the PI are as follows:

(a) whether there is a serious question to be tried; and

(b) whether the balance of convenience lies in favour of granting the PI.

Worldwide Freezing Order

30 With regard to the WFO, I find that it should remain against all the Defendants. The Claimants have shown a good arguable case. The Claimants have produced evidence that the Defendants defrauded the Claimants and that the dishonesty on the part of the Defendants was egregious enough to warrant

the inference that there is a RROD. Further, the Defendants have not established that the Claimants abused the court process and failed in their duty of full and frank disclosure to the court such as to warrant the discharge of ORC 6146.

Good Arguable Case on the Merits

31 In the present case, I find that the Claimants have a good arguable case at the interlocutory stage. The versions of the Claimants and that of the Defendants are diametrically different as regards to the transfers of large sums of money from the Claimants to the Defendants over the years. Zhong alleges that the Defendants had transferred monies out of Zhong's and the Claimants' accounts to themselves, or misused money belonging to Zhong and the Claimants, without authorisation. He alleges that there was a conspiracy amongst the Defendants to defraud the Claimants of the sum of S$74m. Zhong relies on the Report for his assertions. A&M who prepared the Report reviewed the companies' accounts and WeChat messages between Zhong and the Employees. It is not for this court to ascertain which version is true at the interlocutory stage. The trial court is best placed to do so.

32 On the face of the Report, it seems clear that Zhong has a solid ground to allege that there were certain unauthorised payments made from his personal account, or LFI's, and these transactions were orchestrated by one or more of the Defendants. The Report's factual analysis forms the basis of the claims against the Defendants. These are some of the findings in the Report.

33 First, the Report shows a holistic list of expenses titled "Details of expense reimbursement claims made by the [Employees] *without Mr Zhong's*

authorisation".[1] These findings support the Claimants' argument against Shannon, Alice, Eileen and Richard that there were "Falsely Attributed Claims" and "Illegitimate Expense Claims" not authorised by Zhong.

34 Second, the Report identifies that funds were "possibly misappropriated from LFI's "dividend payable" account to the [Employees]", instead of Panda Trading or Zhong.[2] These findings support the Claimants' argument against all the Defendants that there were "Wrongfully diverted dividends paid to Alice and Singa Wealth" not authorised by Zhong.

35 The Claimants used the "Wrongfully diverted dividends paid to … Singa Wealth" to illustrate the Unlawful Means Conspiracy against the Defendants. This is because all the Employees were also shareholders of Singa Wealth, and they had something to gain from the alleged misappropriation. The Employees were all involved in the monitoring and reporting of LFI's financial affairs. Shannon, Alice and Eileen were part of the "Lee Fung Funds Group" that dealt with daily cash flows. Richard was an accountant and had "prepare[d] LFI's annual tax declarations and returns [and] prepare[d] the necessary documents and facilitate[d] LFI's annual audit". It is, thus, in this vein that the Claimants argue that there is a good arguable case that all the Defendants had engaged in an unlawful means conspiracy to defraud Zhong.

36 Third, the Report identifies a "finder's introduction fee" payment which was classified as a "head of the total claims which was not known to or authorised by Zhong".[3] These findings support the Claimants' argument against

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1 Appendix 5-2 of Alvarez & Marsal Report; Liu Xin 1st Affidavit at p 249.

2 [8.2.1] of Alvarez & Marsal Report; Liu Xin 1st Affidavit at p 249.

3 Alvarez & Marsal Report at para 5.3.39; Liu Xin 1st Affidavit at p 228.

Shannon for the "Fictitious 'finders introduction fees' paid to Shannon" which were not authorised by Zhong.

37 Fourth, the Report finds that the bonus payments paid to Shannon, Alice and Eileen (outside the certain authorised amounts) were unauthorised by Zhong.[4] These findings support the Claimants' allegation against Shannon, Alice and Eileen for the "Wrongful and/or unauthorised bonus payments paid to the Employees" which were not authorised by Zhong.

38 Fifth, the Report concludes that certain funds were also "*possibly misappropriated* from Mr Zhong's DBS Account" by the Defendants. These findings support the claim against Shannon, Alice and Eileen for the "Unauthorised Payments from Mr Zhong's Personal Account" which were not authorised by Zhong.

39 The Claimants' case for the claim of "Unauthorised Director's Fees paid to Shannon" is not premised on the Report. According to the 1st affidavit of Liu Xin, she "understands from Mr Zhong that he never attended any AGM in relation to LFI and had never been consulted on matters purportedly recorded in the AGM minutes", which include the purported unauthorised director's fees. The Claimants allege there was forgery in the minutes of the meeting.[5]

40 A&M listed several limitations in section nine of their Report. They mentioned that they were only able to forensically collect WeChat messages from Zhong's phone from a circumscribed date range that was given to them. They, thus, caveated their conclusions by stating that they were not able to

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4 Alvarez & Marsal Report at para 6.2.13; Liu Xin 1st Affidavit at p 236.

5 Liu Xin 1st Affidavit at para 129.

verify Zhong's authorisation of transactions that occurred outside that window.[6] A&M also admitted that the Report did not capture the conversations between Zhong and the Defendants outside the WeChat messages or emails. They further caveated their conclusions by stating that they were unable to verify any instructions or approvals provided by Zhong outside of these mediums of communication.[7] A&M mentioned that they "relied on representations from [LFI] that Mr Zhong had or did not authorise the expense", and that they were unable "to independently verify [LFI's] statements".[8] It should be highlighted that counsel for Alice mentioned that A&M has not filed a sworn affidavit with regard to their findings.

41 I shall now address the Defendants' responses to the Claimants' allegations. The Defendants had a few responses to the "Falsely Attributed Claims" and "Illegitimate Expense Claims". Shannon and Alice allege that there was a "Delegation Letter" signed to authorise these claims,[9] Eileen alleges that she did not submit any claim or that she could not remember submitting any claim[10], and Richard alleges that the claims he filed were legitimate.[11] Zhong denies signing the "Delegation Letters", and categorically denies the other defences as bare assertions.[12]

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6 Alvarez & Marsal Report at para 9.1.1(c); Liu Xin 1st Affidavit at p 256.

7 Alvarez & Marsal Report at para 9.1.1(d); Liu Xin 1st Affidavit at p 256.

8 Alvarez & Marsal Report at para 9.1.1(h); Liu Xin 1st Affidavit at p 257.

9 First and fifth Defendants' Written Submission at para 87.

10 Third Defendant's Written Submission at para 98.

11 Yap 3rd Affidavit at para 61.

12 Zhong Renhai's Affidavit dated 7 February 2025 ("Zhong Affidavit") at paras 18–56.

42 In response to the Claimants' "Wrongfully diverted dividend paid to Alice and Singa Wealth" claims, Alice's explanation is that it was pursuant to the "Split Wage Practice", which refers to an alleged practice that a portion of the Employees' wages would be paid by LFI and the remaining portion would be paid by Zhong personally.[13] Alice submits that the labelling of the transfer as dividend made to Panda Trading was a mistake.[14] This is denied by Zhong, who allegedly did not agree to the supposed "Split Wage Practice". Zhong further alleges that the mistake defence is a bare assertion.[15] Singa Wealth's explanation for the dividend payment is that it was part of a "Cash Pooling Practice" and/or "Profit Sharing Agreement".[16] The "Cash Pooling Practice" refers to a practice where LFI and Panda-related entities would pool cash to maximise interest rates on consolidated cash balances. The "Profit Sharing Agreement" refers to an alleged agreement between Zhong and Shannon that Shannon, Alice and Eileen would be entitled to 10% of all profits derived from the "Oriental Energy Discounting Business".[17] Zhong does not accept that there was a "Cash Pooling Practice" that involves Singa Wealth, and he does not accept that he was in a "Profit Sharing Agreement" with the Employees to justify the transfers to Singa Wealth.[18]

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13 Defence & Counterclaim of the 2nd Defendant, Ms Lim Wee Siew at para 70.

14 Second Defendant's Written Submission at para 78.

15 Zhong Affidavit at paras 57–62.

16 First and fifth Defendants' Written Submission at para 33; Second Defendant's Written Submission at para 71; Third Defendant's Written Submission at para 44; Fourth Defendant's Written Submission at para 73.

17 First and fifth Defendants' Written Submission at para 95; Second Defendant's Written Submission at para 71; Third Defendant's Written Submission at para 44.

18 Zhong Affidavit at paras 63–166.

43 In response to the Claimants' "Fictitious 'finders introduction fees' paid to Shannon" claim, Shannon alleges that there was an oral agreement with Zhong that Zhong would reward Shannon for referring Alice and Eileen to LFI.[19] This is denied by Zhong and he asserts that Shannon's defence is a bare assertion.[20]

44 In response to the Claimants' "Wrongful and/or unauthorised bonus payments paid to the Employees" and "Unauthorised Director's Fees paid to Shannon" claim, the Defendants raise the "Salary and Bonus Mandate",[21] which purportedly gave Shannon the mandate to decide the salary and bonuses of the Employees. This is denied by Zhong and he asserts that the "Salary and Bonus Mandate" does not exist.[22]

45 In response to the "Unauthorised Payments from Mr Zhong's Personal Account" claim, the Defendants raise the "Profit Sharing Agreement" and/or that the payments were in fact authorised.[23] This, again, is denied by Zhong. He again reiterates that the "Profit Sharing Agreement" did not exist and denies authorising the claims that the Defendants allege were authorised.[24]

46 This court is cognisant of the fact that at the interlocutory stage, as observed by the Court of Appeal in *Bouvier*, the court should not wade into the

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19 Defence & Counterclaim of the 1st Defendant, Ms Goh Sock Ngee ("First Defendant's Defence") at para 70(c).

20 Zhong Affidavit at paras 167–169.

21 First and fifth Defendants' Written Submission at para 90.

22 Zhong Affidavit at para 170–178.

23 First Defendant's Defence at paras 27 and 41; Second Defendant's Written Submission at para 54; Third Defendant's Written Submission at para 110.

24 Zhong Affidavit at paras 204–226.

merits of the case. The detailed analysis of each party's case is for the trial court to undertake. For now, I find that the low bar of a good arguable case is made out.

Real Risk of Dissipation

47 It is not enough that the Claimants establish that they have a good arguable case to dismiss the Defendants' summonses to set aside the WFO. The court must go on to assess if there is a real risk that the Defendants will dissipate their assets to frustrate the enforcement of an anticipated judgment of the court (*Bouvier* at [5]). A good arguable case does not, and must not, mechanistically result in the immediate conclusion that a RROD is established (*Bouvier* at [93]).

48 In determining whether there is a RROD, I take guidance from the factors that are set out in *JTrust* at [65] and reproduced at [19] above. The Claimants rely primarily on the dishonesty of the Defendants to establish a case of a RROD. To ground a RROD on dishonesty, the dishonesty must go toward the person's propensity to dissipate their assets to frustrate a judgment. Specifically, the Defendants must have displayed a "lack of probity" as to warrant an inference that there is a RROD. The Defendants, naturally, have individually denied that such dishonesty is present.

49 There is sufficient evidence that the Claimants have established a RROD on the part of all the Defendants. The facts reveal that the Defendants were egregious in their dishonest acts pertaining to certain accounting matters which I shall now discuss below.

Fabricated MT103

50 The Claimants allege that the Defendants fabricated a MT103 (the "Fabricated MT103"). By way of background, a MT103 is a standardised Society for Worldwide Interbank Financial Telecommunications ("SWIFT") payment message used specifically for wire transfers between parties. Included in a SWIFT message are crucial payment details such as the date, amount, currency, sender and recipient. A MT103 is generated automatically by banks upon a successful transfer, and affixed on it will be a unique end-to-end transaction reference number. In other words, no two transaction reference numbers produced on two separate MT103s would be the same.

51 From the Report, it transpired that Shannon had prepared and sent the Fabricated MT103 to Zhong. This Fabricated MT103 was sent to Zhong on 25 October 2023 when Zhong asked for proof as to whether Singa Wealth had deposited funds into LFI for the purposes of the Employees' investment, which they had allegedly pooled together at the inception of Singa Wealth. This was pursuant to a "Funds Swap Arrangement", which allegedly entailed a form of fund swapping between Singa Wealth and LFI for tax savings/benefits and higher interest rates. Shannon then reasserted the Fabricated MT103 on 10 November 2023 when Zhong, upon further suspicion that there were certain unauthorised transfers from LFI to Singa Wealth to the tune of US$25 million, requested records of transfers between Singa Wealth and LFI.

52 The Fabricated MT103 reflects a transaction of US$22 million from Singa Wealth to LFI on 24 July 2023. However, from the Report, it is clear that this transaction had never occurred, as it was discovered that the LFI had never received the sum asserted in the Fabricated MT103. Further, the unique end-to-end transactions were identical to a genuine payment from LFI to another entity.

The meta data extracted from the Fabricated MT103 that was found on Shannon's work laptop revealed that it was created and amended on 25 October 2023. This was the day the Fabricated MT103 was first sent to Zhong.

53 Shannon submits that she had accidentally sent the Fabricated MT103 to Zhong. She claims that the Fabricated MT103 was a draft, as it did not bear the letterhead of a bank. She alleges that she had inadvertently dragged it from the shared drive of the office computer system and sent it to Zhong to evince the "Cash Pooling Practice" (which Zhong denies extends to Singa Wealth, see [42] above). She further alleges that Zhong could not have thought it was a real transaction, as it was obviously not prepared by a bank. She also claims that it is common practice for a MT103 to be created as a way to reassure suppliers. She also submits that the Fabricated MT103 was found in a shared drive, and she has no knowledge as to who prepared it. However, I find that these arguments are unconvincing and does not sufficiently address the heart of the allegation on dishonesty. The Fabricated MT103 is a forgery perpetuated to deceive Zhong regarding the unauthorised transfer of funds to Singa Wealth that belonged to the Claimants. This is evidence of egregious dishonesty on the part of the Defendants.

54 Here, LFI only had four Employees and they all could access the shared drive. But no one has come forward to explain the existence of the Fabricated MT103. Why was the Fabricated MT103 prepared? Which transaction was it meant for? The Defendants provide no explanation. If the Fabricated MT103 was truly prepared pursuant to a certain "Cash Pooling Practice", there is no evidence to support this contention. This makes Shannon's self-assertion unconvincing and shallow. Further, if the transaction reflected in the Fabricated MT103 was between Singa Wealth and LFI, it begs the question as to who the possible supplier that she was trying to assuage with the creation of this "draft"

could be. All the Employees had access to this allegedly falsified document but no one claims to have prepared it or denies knowledge of it. The circumstances suggest that there is a good case of dishonesty on the Defendants' part to fabricate transactions, documents and accounts, especially against the backdrop of the Unlawful Means Conspiracy alleged by the Claimants (espoused above, at [35]). These egregious dishonest acts of the Defendants are sufficient to infer that there is a RROD by them.

Under-declaration in financial documents

55 There are several fabricated accounting documents on the part of Shannon and Eileen. Amongst them are two PDF documents prepared by Shannon ("Shannon's PDFs") and the daily cash flow updates prepared daily by Shannon and Eileen ("Cash Flow Updates").

56 Shannon's PDFs were sent to Zhong on 12 November 2023, upon Zhong's demand of a full account of all the amounts that have been paid to the Employees. Shannon's PDFs were titled "*Staff Pay & Bonus*" and "*Staff Pay & Bonus – 2017 onwards*". However, Shannon's PDFs did not reflect the accurate amounts actually paid to Shannon, Alice and Eileen. The table below shows serious discrepancies, when the Report's findings (at Annex 6-1) are compared with Shannon's PDFs:[25]

[25] Zhong Affidavit at [108] and Tab 8; Annex 6-1 of the Alvarez & Marsal Report; Liu Xin 1st Affidavit at p 310.

S$ / Year	Shannon (Salary & Bonus)		Alice (Salary & Bonus)		Eileen (Salary & Bonus)	
	Actually Paid	Shannon's PDFs	Actually Paid	Shannon's PDFs	Actually Paid	Shannon's PDFs
2019	1,300,000	980,000	1,196,200	696,200	1,216,000	716,000
2020	1,700,000	710,000	1,401,760	471,760	1,617,600	537,600
2021	1,869,600	749,600	1,229,600	549,600	1,561,600	741,600
2022	781,328	281,328	885,328	322,656	691,328	334,656
Discrepancy	2,930,000		2,672,672		2,756,672	
Total Discrepancy	8,359,344					

57 From the above table, it is clear that there has been a severe under-declaration of salaries and bonuses by Shannon that have been issued to herself, Alice and Eileen. There is no explanation from the Defendants for the substantial under-declaration. Why did Shannon, Alice and Eileen receive disbursements of over S$8 million from 2019 to 2022? Why did Shannon under-declare payments for herself, Alice and Eileen to Zhong when the latter requested the information? The circumstances show that the under-declaration was done to mislead Zhong. This egregious dishonesty was deliberately done to deceive Zhong.

58 The Defendants submit that the bonuses were part of the "Salary Bonus Mandate" (as explained at [44] above), which is to be tested at trial. However, even if it is proven that the "Salary Bonus Mandate" existed, it still begs the question as to why Zhong was informed of the severely under-declared salaries and bonuses of Shannon, Alice and Eileen.

59 There were other instances of the Defendants' dishonest acts regarding the Cash Flow Updates. On two specific instances, there were under-declarations of the account balance of Zhong's DBS account (Acc No: XXX-XXX014-0) ("Zhong's DBS Account"). On 3 January 2022, Eileen sent a cash flow update to Zhong, which reflected that Zhong's DBS Account had a balance of US$816,692.95. However, the bank statements of Zhong's DBS Account at the relevant time reflected that the balance brought forward to January 2022 was S$3,914,850.71 (approx. US$2,890,000), and there were multiple balances in foreign currencies.[26] On 3 March 2022, Shannon sent another cash flow update to Zhong, which again reflected Zhong's DBS Account balance to be US$816,692.95. However, Zhong's bank statements at the relevant time reflected that the balance brought forward to March 2022 was S$2,333,798.60 (approx. US$1,720,000).[27] There was no satisfactory explanation for furnishing Zhong with the wrong information.

60 To make matters worse for the Defendants, for the period from 3 January 2022 to 3 March 2022, according to the Report, S$1,219,460 had been transferred to Shannon. Without a valid explanation, Shannon's and Eileen's concealment of the true value of Zhong's DBS Account, and the immense outflow of funds to the Defendants constitute egregious dishonest acts that enable the inference of a RROD by the Defendants.

61 Unlike the situation in *Bouvier*, the allegations of dishonesty in this case do not hinge on the factual accuracy of the underlying claim. In *Bouvier* at [96], whether there was in fact dishonesty as alleged, turned on whether, at trial, it could be shown that Mr Bouvier was truly an agent and not a wily businessman

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26 Zhong Affidavit at para 165 and Tab 15.

27 Zhong Affidavit at para 165 and Tab 15.

who employed a questionable approach to business. However, in the instant case, the evidence reveals that there were fabrications and under-declarations of Zhong's financial status in important financial documents sent to Zhong to mislead him. The dishonesty is, therefore, independent of which version of events succeed at trial.

62 Accordingly, I find that the Claimants have established that there is a good arguable case and that there is a RROD on the part of the Defendants.

Abuse of Process

63 Shannon, Eileen and Singa Wealth submit that the Claimants' inordinate delay and failure to adhere to the SCPD 2021 amounts to an abuse of process and, therefore, this should justify the discharge of ORC 6146. However, I find that there is insufficient basis to justify the discharge of ORC 6146.

Inordinate Delay

64 First, the Defendants claim that there was an inordinate delay of ten months in bringing the claim and, thus, this constitutes an abuse of process. The Defendants allege that, by end-January 2024, the Claimants had been deemed fit to request DBS Bank to freeze Singa Wealth's and Shannon's accounts. But DBS Bank told the Claimants to seek for a court order. However, the Claimants failed to do so. In early February 2024, the Claimants suspected that there was sufficient basis to lodge a police report against Shannon for her criminal misappropriation. In February 2024, the Claimants had asked the Commercial Affairs Department ("CAD") to freeze the Defendants' assets, to which CAD informed the Claimants that they would consider doing so but could not disclose whether they would eventually do so. In late April 2024, Zhong had alleged in an ongoing arbitration involving LFI and another party that "[Shannon] and

[Alice, Eileen and Richard] had stolen SGD 48.1 million and USD 12.1 million from the Lee Fung accounts". Based on these instances, the Defendants argue that the Claimants were able to quantify their losses and were certain about their allegations. Thus, the Claimants should have brought the application earlier, instead of ten months later.

65 In support of their case, the Defendants draw an analogy to *Bouvier*. In *Bouvier*, the Court of Appeal found that a delay of five months in bringing the application was an inordinate delay. This was because, in that case, the applicant "must have known or at least had very strong reason to suspect [the defendant's] alleged fraud". Thus, the Defendants argue that the fact that the application was not brought earlier, evinces that the Claimants did not genuinely fear that the Defendants were going to dissipate their assets.

66 However, I find that there are significant differences in the present case and *Bouvier*. In *Bouvier*, the dispute did not involve concealment and false records in a bid to hide alleged dissipations. The dispute was, in that regard, a relatively simple one: was the defendant entitled to retain the profits or not? It is in that light that the court in *Bouvier* was convinced that upon that earlier date, there was already sufficient evidence, if the applicant's version was accepted, to establish a good arguable case to bring the claim for a WFO.

67 The present case stands in steep contrast. It is true that the Claimants were alerted by DBS Bank as early as January 2024 to seek a court order to freeze the accounts of the Defendants. This fact shows that the Claimants, as early as January 2024, had the intention to freeze the accounts of the Defendants and that was why they requested DBS Bank to do so. But DBS Bank was only prepared to freeze the accounts if there was a court order. The Claimants also

sought CAD's assistance in February 2024 to freeze the accounts of the Defendants, but CAD gave an equivocal response.

68 I was initially concerned as to why the Claimants did not apply to the court for a WFO and IP in January 2024 when they were already alerted by DBS Bank to do so. On closer analysis, I realise that the Claimants had the intention to seek for a WFO and IP as early as January 2024 and thereafter they were attempting to freeze the assets of the Defendants through CAD. All attempts to do so were futile. The Claimants had to adduce evidence to make out a case to urge the court for WFO and PI orders against the Defendants. There was no delay in this regard as the Claimants had commissioned a forensic accounting report by A&M as early as end-January 2024. The Report was released on or about 25 October 2024 and in November 2024, the Claimants lodged SUM 3431 against the Defendants. This evinces that, at all material times, till now, the Claimants were and continue to be under the apprehension that the Defendants may dissipate their assets. From this analysis, I find that there is no delay.

69 There is a fine balance that needs to be struck when a Claimant brings an application for a WFO. This is because of seemingly contrasting duties, which pull the claimant in opposite directions: On one hand, the court imposes a duty on the claimant to bring the application promptly, as a way of evincing the necessity and urgency of the application. On the other, the court also imposes a duty on the claimant to "make proper inquiries before making the application (*JTrust* at [90(b)]). It is perhaps in this vein that the Court of Appeal in *Bouvier* at [109] stated as follows:

> 109 … Of course, delay by itself will not be dispositive of the [claimant's] application for such relief. The length of the delay and any explanations for it should be considered against all the circumstances of the case…

70 Therefore, in light of the circumstances in the present case, I find that the Claimants spared no time in bringing this claim. This was a complex matter, spanning some allegations that go back seven years. These investigations took ten months to complete. Accordingly, I find that there is no inordinate delay by the Claimants, and the Defendants have not made out a case of an abuse of process to discharge ORC 6146.

71 For completeness, Shannon, Alice and Singa Wealth submit that there is no evidence of dissipation in the ten months prior to the application that has been adduced by the Claimants.[28] I am convinced that, if the Claimants had evidence that the Defendants were preparing to dissipate the assets in January, they would not have waited for the Report to be ready. Thus, I find that such an argument cannot stand. There is no requirement that the Claimants must adduce evidence of actual dissipation before a WFO is granted. This would be too late. The Claimants only have to show that there is a *risk* of dissipation by the Defendants (see [47]–[61] above). Furthermore, as stated in *Maddoff Securities International Ltd and another v Raven and other* [2011] EWHC 3102 at [155], citing *Antonio Gramsci Shipping Corporation v Recoletos Ltd* [2011] EWHC 2242 at 28–29:

> Up to now, therefore, … [the defendant] may have felt secure, in the absence of proceedings against him in England… and although alerted to matters covered by the evidence of [other parties], *there is nothing like the commencement of proceedings to bring home to an individual the risk of judgment against him and the consequent potential loss of assets*. …
>
> [emphasis added]

[28] 1st and 5th Defendants' Written Submission at [127]; 3rd Defendants' Written Submission at [125].

Therefore, the fact that there is no proof that assets have been dissipated is no bar to the claim that there is a RROD.

Failure to adhere to Supreme Court Practice Directions 2021

72 The Defendants allege that there was a breach of paragraph 71(2) read with paragraph 71(3) of the SCPD 2021. They allege that, despite the *ex parte* hearing for SUM 3134, the Claimants were required to inform the Defendants at least two hours prior to the *ex parte* hearing because this case is not of extreme urgency such as to warrant a dispensation of the notice requirement. Shannon and Singa Wealth cite the case of *Bouvier* in support of their argument. However, they fail to mention that in *Bouvier*, there "was not even a faint attempt … to justify or explain why" the application was brought without notice.

73 In the present case, the Claimants, at the *ex parte* stage, had already outlined their reasons for the urgency. It is the Claimants' position that, upon the Defendants' appreciation of the full extent of the claims brought against them (including, amongst others, the discovery of forged forms and under-declared accounting statements), they would take steps to frustrate the purpose of the application. This explanation is sufficient as we are dealing with fungible assets which could be dissipated easily with internet banking.

74 Accordingly, I find that there is no basis for the Defendants to argue that there is an abuse of process against the Claimants.

Material Non-disclosure

75 The Defendants submit that there was material non-disclosure by the Claimants at the *ex parte* hearing which is sufficient for this court to discharge ORC 6146. In their comprehensive written submissions, they have laid out

several instances of material non-disclosure on the part of the Claimants in their *ex parte* application. However, I find that the Claimants have satisfactorily explained the purported non-disclosures.

76 At this juncture, it bears reiterating that the gravity of each non-disclosure must be assessed in its context to ascertain its mischief, if any. If the non-disclosing party did not know of the fact, forgot its existence or failed to perceive its relevance, it stands in stark contrast to a party intending to mislead the court into granting the injunction (*Bahtera* at [27]). Therefore, a full analysis of the circumstances leading to the non-disclosure is apposite.

77 The Defendants argue that the Claimants have failed to adduce certain tranches of WeChat messages, which should have been in the Claimants' custody. These include: the WeChat messages between Zhong and Shannon between 18 January 2017 and 14 September 2023, specifically on 20 to 31 July 2023 and 9 December 2021 ("first tranche"); between Zhong and Shannon in November 2023 ("second tranche"); between Zhong and Eileen on 19 January 2023 ("third tranche"); between Zhong and Eileen in the LFI Funds WeChat group on 24 and 25 July 2023 ("fourth tranche"); and between Zhong and Shannon on 29 August 2023 ("fifth tranche"). I find that these non-disclosures were not done with the intention to mislead the court.

78 For the first tranche, Shannon and Alice submit that it is material because it led to the disposition of S$116,012.20 worth of claims being dropped against Alice. However, the Claimants have argued that they do not have possession of the messages pre-June 2019 because Zhong had misplaced one of his phones. As for the specific date range, the Claimants further note that the total sum of these claims that the messages evinced was only less than 1% of the claims against Alice. Viewed in this light, it does not make sense for the

Claimants to have deliberately suppressed such information. I am thus convinced that this was an inadvertent non-disclosure.

79 For the second tranche, Shannon submits that it was a careful and deliberate suppression, as it deals with Shannon's PDFs and Zhong's subsequent response to receiving them, which have always been in the Claimants' possession. However, the Claimants have stated on affidavit that it was a discovery that had emerged only upon the review of the WeChat messages that Shannon sighted in her affidavit. This also forms the main plank of their submissions at the *inter partes* stage (see above at [56]), when it was not relied upon in the *ex parte* stage. It seems clear to me that this was not a suppression, but rather an instance where the Claimants did not appreciate the relevance of the messages at the *ex parte* hearing.

80 For the third tranche, Eileen submits that the WeChat messages should have been disclosed because it evinces that Eileen had thanked Zhong for the "year-end bonus", and Zhong's subsequent acknowledgement of it. This suggests implied consent from Zhong. However, the Claimants assert that there is insufficient nexus between the message regarding the "year-end bonus" and the wrongful disbursements. Eileen's message makes no reference to the quantum of the bonus, nor the account that it was paid from. Furthermore, the underlying transaction from Zhong's account to Eileen was labelled "CNY NOTES" and "CNY NEW NOTES" in the PayNow description. Viewed in this context, it was not apparent to Zhong that Eileen was thanking him for the year-end bonus. Thus, I find that this was not a case of suppression, but rather the parties' different interpretation of the events.

81 For the fourth tranche, Eileen submits that they should have been disclosed as it evinces that the transfers from Singa Wealth to LFI were

transparent and undermine the Claimants' case against Singa Wealth. However, the Claimants submit that they were unable to appreciate that those messages were capable of evincing such a transfer between Singa Wealth and LFI. This is because those messages contained a cash flow report sent to Zhong that denotes Singa Wealth's account as "S/DBS". This was not made known to Zhong to mean Singa Wealth's DBS account. Coupled with the fact that the cash flow report was labelled "Lee Fung Offshore Banks", there was no reason for Zhong to assume that Singa Wealth's account had any purpose for being on that cash flow report. Singa Wealth, not being a part of the Lee Fung group, should have had no place on that report. Therefore, I find that the Claimants simply failed to recognise the relevance of those messages.

82 Related to this fourth tranche, Eileen also claims that the Claimants have suppressed the "Panda Excel", which is an excel sheet purportedly created by Eileen during her time at LFI to evince a certain "Cash Pooling Practice". It is Eileen's position that this Panda Excel would have been a clear answer to the 10 July 2023 and 24 July 2023 transfers between Singa Wealth and LFI and, consequently, it was suppressed to mislead the court. However, the Claimants have stated on affidavit that the Panda Excel was not in their possession, and this is corroborated by the Report which confirms that A&M did not see the Panda Excel during the course of their investigations. Therefore, I find that there was no non-disclosure because the document simply was not in the Claimants' custody at the *ex parte* hearing.

83 For the fifth tranche, Eileen submits that it should have been shown to the court to evince that sums of money were transferred from LFI to Panda Wealth (another entity that is part of Zhong's family office) to obtain a higher interest rate in the Credit Suisse account. This evinces that there was a Cash Pooling practice, where monies would be transferred from one entity to another

to obtain a higher interest rate. However, the Claimants challenge that Singa Wealth was a part of the Cash Pooling Practice (see [42] above) and claim that, at the time of the *ex parte* hearing, they did not know that Singa Wealth was part of this Cash Pooling Practice. Therefore, there could not have been non-disclosure by the Claimants at the *ex parte* hearing, when the allegations of the Cash Pooling Practice involving Singa Wealth only transpired at the *inter partes* stage.

84 The Defendants further argue that the Claimants failed to disclose that Zhong was invited to be a director of Singa Wealth, and that he signed an appointment letter ("Singa Wealth Directorship"). According to the Defendants, this fact ought to have been disclosed to the court at the *ex parte* hearing. The duty of full and frank disclosure remains the strongest safeguard against mischievous parties seeking to mislead the court into granting an order, without the benefit of opposing counsel exposing the damaging facts to the court.

85 Although the Claimants did not adequately address the issue of the Singa Wealth Directorship at the *ex parte* hearing, I find that the non-disclosure was not to mislead the court. The invitation to be a director and his signature on the appointment form came only on 11 October 2023, around three months after the alleged wrongful transfers to Singa Wealth in July 2023. The ultimate fact remains that Zhong eventually did not become director of Singa Wealth and he was not registered under the BVI laws as a director of Singa Wealth. The Claimants, nevertheless, assert that certain unauthorised transactions occurred between LFI and Singa Wealth. Basically, Zhong left the running and management of LFI to the Employees and the mere fact that he was invited to be a director of Singa Wealth does not seem to be a factor necessary to be considered. Therefore, even if there was such material non-disclosure, there was no intention to mislead the court.

86 The Defendants further submit that the Claimants should have informed the court at the *ex parte* hearing of the limitations in the Report, given that it has a list of limitations that span a whole section of the Report, including the fact that A&M "relied on representations from [LFI] that Mr Zhong had or did not authorise the expenses". A&M was not able to independently verify [LFI's] statements, and A&M was only able to conduct their investigations with the window of chat messages given to them by Zhong.

87 However, I am satisfied that the non-disclosure was not meant to mislead the court. The facts from the Report that were raised at the *ex parte* hearing (and in turn support the present claims) were backed by an objective undergrowth of bank transactions and undisputed factual occurrences. These include the Fabricated MT103 and the under declaration in financial documents. Those findings were factual and independent of the possible limitations of the Report. Accordingly, I find that the non-disclosure was likely inadvertent and not done to deliberately mislead the court.

88 Although there were, broadly put, three instances of material non-disclosure at the *ex parte* hearing, it would be unjustifiable to set aside ORC 6146 when there was no intention to mislead the court. The penalty would have been out of all proportion (*Solvadis Commodity Chemicals GmbH v Affert Resources Pte Ltd* [2014] 1 SLR 174 at [38]).

89 In any event, even if it were found that these were material non-disclosures sufficient to discharge the order, this court still has the jurisdiction to issue a fresh injunction, with all the facts before it at the *inter partes* hearing (*Tay Long Kee* at [37]). On the analysis above, I am convinced that the conditions for a WFO have been met at the *inter partes* stage. Be that as it may,

I find that the non-disclosures were not so material or deliberate as to warrant the discharge of ORC 6146.

90 Accordingly, I find that the WFO as against all the Defendants under ORC 6146 should be upheld.

Proprietary Injunction

91 With regard to the PI, I find that it should be upheld as against Shannon, Alice, Eileen and Singa Wealth. The PI, however, should be varied with regard to Alice and Eileen and discharged *vis-à-vis* Richard.

Serious question to be tried

92 I find that there is a serious question to be tried as against Shannon, Alice, Eileen and Singa Wealth. A serious question to be tried will be satisfied as long as the claimant has a seriously arguable case that they have a proprietary interest (*Bouvier* at [151]). This is to be assessed based on whether the claimant has any prospect of succeeding in his claim at trial (*ANB v ANC and another* [2014] 4 SLR 747 at [58]). This is ascertained with respect to the claimant's objective evidence, taken at face value, at the sum of its case. As regards to the defendant's submission, only the admissions that support the claimant's case and the unrebutted refutations of the claimant's case will be taken into account (*UDL Marine (Singapore) Pte Ltd v Jurong Town Corp* [2011] SGHC 153 ("*UDL*") at [17]).

93 I am convinced that, on the face value of the evidence adduced by the Claimants, there is indeed a serious question to be tried on the matters that have been canvassed which support the PI claim against Shannon, Alice, Eileen and Singa Wealth. This is because the allegations found in the Report are

comprehensive and demonstrate a real prospect of success for the claims. The court, at this stage, does not engage in complex questions of factual analysis (*Bouvier* at [151]). It suffices that, on the face of the Claimants' case, they have shown that there is a serious case to be tried against the Defendants.

94 However, with regard to Alice, Eileen and Richard, the fact that the Claimants have decided not to pursue certain claims against them means that the limits of the PI against Alice and Eileen must be reduced correspondingly. As for Richard, the PI falls away completely.

95 As against Alice, the Claimants have decided that they are no longer pursuing certain payments after a review of Alice's affidavit. These payments come up to a total of S$116,012.20. Therefore, the total PI value should be decreased by that amount.

96 As against Eileen, the Claimants have decided not to pursue the "director's fees" (or salary as claimed by Eileen) paid to her upon review of Eileen's affidavit. This claim was valued at S$106,656.00. Therefore, the total PI value should be decreased by that amount.

97 As against Richard, the Claimants have decided not to pursue the "director's fees" (or salary as alleged by Richard) paid to him upon review of Richard's affidavit. This claim was valued at S$106,656.00, which is the whole value of the PI against Richard. Accordingly, the PI should be lifted entirely for Richard.

Balance of Convenience

98 The evidence indicates that the balance of convenience lies in favour of upholding the PI against Shannon, Alice, Eileen and Singa Wealth. The balance

of convenience is assessed by considering the potential prejudice that the Claimants may suffer, if the injunction is not granted, against the prejudice to the Defendants if the injunction is granted and the Claimants' hypothesis is refuted at trial (*Bouvier* at [161]). The Defendants contend that the balance of convenience tilts in favour of discharge. I disagree.

99 The Defendants attempt to draw similarities to the case of *Bouvier*. In *Bouvier*, the claimant had also alleged that the defendants had effectively "stolen" money from the claimant by taking unauthorised profits as an agent. In lieu of that, the claimant sought a PI over the sum of money and their traceable proceeds. In this case, the Defendants assert that *Bouvier* is similar to their case, where the Claimants are seeking only for monies.

100 However, I disagree with that analogy. In *Bouvier*, the claimant had run a PI claim over an alleged sum of money, and not a specified, ascertained pool of money (*Bouvier* at [158]). However, in this case, the Claimants are seeking a PI over a specific pool of money and their traceable proceeds. Specifically, the Claimants are seeking a PI over the bank accounts of the Defendants that the Claimants' monies were credited into.

101 I can do no better than to reiterate what the Court of Appeal in *Bouvier* said at [158] about the possible benefits of a PI over a specific pool of funds:

> 158 There are benefits to asserting a proprietary interest in a specific ascertained pool of funds, in that the claimant will be able to prove as a secured creditor in the event of the defendant's insolvency, and will be entitled to any accretions traceable to that pool of funds. …

102 From the judgment in *Bouvier*, we can glean that a major factor swaying against the award of the PI was that there was no indication that the defendants were going insolvent (*Bouvier* at [158]). However, that sits in deep contrast to

the present case. Mr Bouvier and Mrs Rappo, the defendants to the PI claim in *Bouvier*, were very wealthy, with substantial shareholdings in companies all over the world and/or had their wealth managed by asset management agencies (*Bouvier* at [6]–[7]). They belong, in my view, to a class of people that would possibly be able to withstand a judgment debt of several millions of dollars. However, in the present case, we are dealing with employees of a company. There is nothing to show that Shannon and Alice have sufficient assets to discharge a judgment debt for a sum that runs into the multi-millions, or a more than half-million judgment debt for Eileen. This is further exacerbated by the lack of evidence that the Defendants have means to satisfy the judgment debt. Shannon and Alice did not adduce any evidence of their means. Eileen did give assurances about her ability to pay, but did not adduce any evidence of solvency on affidavit. Eileen makes bare assertions of her ability to pay without disclosing her liabilities and mortgage to her property. Even when Singa Wealth had adduced their bank account statement, the sums were barely enough and there was nothing to show the solvency of the company or its other assets. Thus, to deny the Claimants a proprietary right over the sums of money may not be just.

103 The Defendants further contend that a WFO is sufficient to safeguard the Claimants' interests, and a PI is not necessary. I disagree. A WFO is granted in support of a claim for personal relief. A WFO is ambulatory and general, and it does not latch on to any specific asset of the defendant (*Bouvier* at [143]). In contrast, a PI is granted in support of a claim for proprietary relief. It is a prohibitory injunction that fastens on the specific asset in which the claimant asserts a proprietary interest (*Bouvier* at [144]). In this case, the allegedly unauthorised sum of money was taken from Zhong and transferred to the Defendants' bank accounts.

104 While I have already found that the WFO should be upheld as against all the Defendants, this does not give the Claimants a proprietary interest over the accounts. Assuming that the accounts no longer have sufficient monies to satisfy the judgment debt, it would leave the Claimants *pari passu* with the Defendants' other general creditors. Therefore, while the WFO restricts the Defendants from dealing with their assets, the PI goes further and secures the Claimants' proprietary interest in those assets.

105 It is recognised that there is prejudice to Shannon, Alice and Eileen. Accompanying the PI order, comes onerous disclosure obligations which requires the tracing of allegedly impugned funds that span seven years. This would require the Defendants to trace many individual transactions which have been mixed into their own personal monies. However, such a prejudice can be ameliorated by damages. Should the Claimants' case fail at trial, they will be liable to the Defendants for damages which they can afford to pay.

106 Accordingly, I find that the balance of convenience lies in favour of upholding the PI against Shannon, Alice, Eileen and Singa Wealth.

Conclusion

107 For the above reasons, I uphold ORC 6146 in part. This court upholds the WFO on the same terms against all the Defendants; upholds the PI on the same terms against Shannon and Singa Wealth; upholds the PI on varied terms against Alice and Eileen; and discharges the PI against Richard. Accordingly, SUM 3783, SUM 3784 and SUM 3785 for the stay of ORC 6146 and SUM 114, SUM 115 and SUM 116 for the setting aside of ORC 6146 are dismissed.

108 I shall now hear parties on the issue of costs.

Tan Siong Thye
Senior Judge

Yam Wern-Jhien, Ting Yue Xin, Victoria, Lee Jin Loong and Tan Mazie (Setia Law LLC) for the claimants;
Jaikanth Shankar, Sumedha Madhusudhanan, Ng Shu Wen, Goh Enchi, Jeanne and Harriz Bin Jaya Ansor (Davinder Singh Chambers LLC) for the first and fifth defendants;
Zhuo Jiaxiang, Veluri Hari and Kyle Chong Kee Cheng (Providence Law Asia LLC) for the second and fourth defendants;
Lo Ying Xi, John, Stella Ng Yu Xin, Chua Shi Jie and Donaven Foo (RCL Chambers Law Corporation) for the third defendant.