IN THE HIGH COURT OF THE REPUBLIC OF SINGAPORE

[1998] SGHC 289

Suit 1638/1997

Between

Splosna Plovba International
Shipping and Chartering d o o

… *Plaintiff*

And

Adria Orient Line Pte Ltd

… *Defendant*

GROUNDS OF DECISION

Version No 1: 20 Nov 2026 (00:35 hrs)

This judgment is subject to final editorial corrections approved by the court and/or redaction pursuant to the publisher's duty in compliance with the law, for publication in LawNet and/or the Singapore Law Reports.

Splosna Plovba International Shipping and Chartering d o o v Adria Orient Line Pte Ltd

[1998] SGHC 289

Suit 1638/1997
Lai Siu Chiu J
31 August 1998

Judgment :

GROUNDS OF DECISION

The background

1. These grounds of decisions concern two other applications besides the one under appeal for the reason that the three applications are somewhat intertwined. The plaintiffs applied for summary judgment of their claim under summons in chambers entered no. 7464 of 1997 (the O 14 application) and under (ex-parte) summons in chambers entered no. 2289 of 1998 (the joinder application) to add a company called SEP Logistics Pte Ltd (SEP Logistics) as the second defendant to the action. The defendants on their part applied under summons in chambers entered no. 8548 of 1997 (the stay application) for a stay of the plaintiffs' action.

2. The stay application was granted by the learned deputy registrar on 17 February 1998 on terms that the defendants furnish a banker's guarantee in the

Version No 1: 20 Nov 2026 (00:35 hrs)

sum of US$458,000 within 21 days. He adjourned the O 14 application but gave the defendants liberty to restore the same. The defendants appealed against the decision of the learned deputy registrar and after hearing the appeal, I allowed it to the following extent on 17 March 1998:

> a. the order below was varied, the defendants to furnish security in the sum of US$50,000 within 10 days of the order; b. both parties to appoint their respective arbitrators for arbitration in London pursuant to clause 17 of the charter party dated 14 February 1997 between the parties; c. once arbitration had commenced, the security of US$50,000 shall be refunded forthwith to the defendants; d. if arbitration proceedings are not instituted in London within 6 weeks viz by 28 April 1998, due to neglect or default or any other act of the defendants, the stay shall be lifted and the plaintiffs are at liberty to continue with these proceedings; e. costs of appeal to be costs in the arbitration or, if necessary, costs in the cause.

3. After the appeal, counsel for the plaintiffs wrote in for further arguments; I acceded to the request. At the further hearing, I was informed by counsel for the defendants that his authority to submit the claim for arbitration on behalf of the defendants had been revoked, which revocation however he challenged. Apparently, the majority shareholder of the defendants Wong Seng Kiong (the deceased) had passed away on 21 March 1998. His solicitors, in order to save costs had, on the instructions of the personal representatives of the deceased, written to counsel to advise that no further steps should be taken to defend these proceedings; the mandate of Jurgen Schlotzer (Schlotzer) who is the minority shareholder, director and managing director of the defendants, was said to have been limited by the deceased, prior to his death.

4. Counsel for the defendants challenged the capacity of the personal representatives to instruct the lawyers acting for the deceased, pointing out that under the articles of association of the defendants, the revocation of Schlotzer's authority as managing director, including the authority to instruct the

Version No 1: 20 Nov 2026 (00:35 hrs)

defendants' solicitors, is not valid until a shareholders' meeting is convened and a resolution passed to that effect. He asserted that Gabrijel Kobal (Kobal) the managing director of Genshipping Pacific Line Pte Ltd (Genshipping) must be the personal representative of the deceased as, the letter to his firm from the deceased's solicitors revoking his authority, was carbon-copied to Kobal who had previously filed a number of affidavits on the plaintiffs' behalf. Kobal had, in one affidavit deposed that he instructed the solicitors of the deceased. Until the shares of the deceased in the defendants were transferred to his personal representatives (and that can only be done after the grant of probate was extracted), the latter were in no position to speak for the defendants, not being members of the company.

5. I ordered that the defendants file an affidavit by the following Friday to challenge revocation of their authority to pursue arbitration proceedings in London. Otherwise, no stay of proceedings would be granted, the order of court I made earlier would be rescinded and the previous order of the deputy registrar would be restored. If the defendants did file their affidavit (with liberty to the plaintiffs to file a reply), I granted leave to restore for hearing, the application for further arguments.

6. On 15 May 1998, parties appeared before me again, after the defendants had filed their affidavit; the plaintiffs chose not to file an affidavit in reply. At this further hearing, counsel for the defendants referred to Suit No. 1635 of 1997 in which the deceased had filed a claim against Schlotzer and SEP Logistics. He said the outcome of that suit may well affect the shareholding ratio and determine whether the deceased still remains the major shareholder of the defendants. Counsel highlighted the fact that Kobal had also filed numerous affidavits on behalf of the deceased in Suit No. 1635 of 1997 and had even

Version No 1: 20 Nov 2026 (00:35 hrs)

confessed to assisting the deceased throughout as a personal adviser; clearly Kobal was on the side of the plaintiffs and his good faith was questionable. Counsel complained that there was a concerted blood hunt against Schlotzer who was acting in good faith by insisting on the contractual rights of the defendants in going to arbitration.

7. After hearing the parties' further submissions, I made inter alia, the following orders, which are now the subject of the defendants' appeal in Civil Appeal No 162 of 1998:-

> a. Schlotzer to furnish security equivalent to US$50,000 in any event and will bear the costs of instructing the defendants' solicitors for the London arbitration;
>
> b. a bank guarantee in terms acceptable to the plaintiffs' solicitors to be furnished by 1 June 1998;
>
> c. costs in the cause.

8. When Schlotzer failed to furnish the security of US$50,000 which I had ordered and did not apply for a stay of my order pending appeal, the plaintiffs applied to restore for hearing before me, their O 14 and their joinder applications which I granted.

The affidavits

9. Some of the affidavits filed pertained to all three (3) applications; consequently there was overlapping of their contents in some instances. I start by referring to the first affidavit (filed on 11 November 1997) of Schlotzer which was to support the stay application, he deposed:

> a. the plaintiffs are a company with a place of business in its country of incorporation Slovenia whereas, the defendants have their place of business in its country of incorporation which is Singapore;

Version No 1: 20 Nov 2026 (00:35 hrs)

b. the plaintiffs' claim is based on an alleged breach of a charter-party dated 14 February 1997 (the charter-party) made between the parties whereby the plaintiffs chartered the vessel "Velenje" to the defendants for six (6) months 15 days more or less, with an option to the defendants of a further six (6) months' extension. Their claim comprised of unpaid charter-hire (US$204,819.98), port charges (US$135,878.11) and bunker disbursements (US$90,029.15);

c. the charter-hire rate was disputed – the plaintiffs based their claim on a daily hire of US$4,750 whereas the defendants contended that the hire should be US$4,700. The defendants had paid charter-hire based on US$4,750 and therefore had a counterclaim against the plaintiffs for overpayment;

d. the claim for port charges was also disputed. Under cl 8 of the charter-party, the Master of the vessel was obliged to take instructions from the defendants although he was employed by the plaintiffs. The defendants had given the Master sailing instructions and which agents to use at ports of call. In breach thereof, the Master followed the plaintiffs' instructions and engaged the plaintiffs' agents at various ports of call; the plaintiffs cannot rely on their own breach to found an action;

e. as for the claim for bunkers supplied by A/S Dan Bunkering (A/S Dan) it was an implied term of the charter-party that all acknowledgement of receipts for bunkers for the vessel were to be claused with the remarks "for charterer's account" and acknowledged with the defendants' company stamp. In breach thereof, the plaintiffs' Master failed to clause bunker receipts. Accordingly, the defendants dispute liability for a claim for which the plaintiffs assumed liability to third parties. The plaintiffs had settled the claim of A/S Dan when the vessel was arrested in Italy merely because under Italian law, the supply of bunkers could possibly be held to be a maritime lien. The defendants did not order bunkers from Passage Shipping & Trading (Passage) of Piraeus, Greece and therefore deny liability for bunkers ordered on the plaintiffs' account;

f. under cl 17 of the charter-party:

Should any dispute arise between Owners and the Charterers, the matter in dispute shall be referred to three persons in London, one to be appointed by each of the parties hereto, and the third party by the two so chosen; their decision, or that of any two of them, shall be final and for the purpose of enforcing any award this agreement may be made a rule of the Court. The arbitrators shall be commercial men conversant with shipping matters engaged in the shipping industry. This Charter Party

Version No 1: 20 Nov 2026 (00:35 hrs)

> shall be governed by and construed in accordance with English law.

As there was clearly a dispute on the plaintiffs' claims both on liability and quantum, Schlotzer deposed there should be a stay of the action pursuant to the International Arbitration Act Cap 143A (the Act).

10. In addition to the grounds set out in para 9 above, Schlotzer deposed that another reason why a stay ought to be granted was because, the plaintiffs had commenced an action for unpaid charter-hire in the lower courts of Genoa as well as in the circuit court in Koper, Slovenia, for substantially the same periods as those set out in the statement of claim. Besides the multiplicity of proceedings, the plaintiffs had, in the Genoa action based their claim on a daily hire of US$4,700.

11. He pointed out that all the witnesses for the plaintiffs' claim are based in Europe and would render having an arbitration in London more convenient. It would also obviate a need to prove English law with costs consequences.

12. The plaintiffs had also obtained Mareva injunctions world-wide, in the sum of US$520,000 in Singapore and in the sum of US$500,000 in Genoa, causing the defendants to be financially "strangled". The defendants were also being "strangled" because its debtors were either legally withholding the defendants' assets or creating disputes. As examples, Schlotzer deposed that the defendants' Italian agent Intermare SA (Intermare) was withholding the sum of US$110,000 whilst US$60,000 was being retained by its Slovenian agent Transfruit.

13. On their part the plaintiffs filed a third affidavit through Joze-Peter Mocnik (Mocnik), the manager of their tramp and chartering department to oppose the stay application. His earlier affidavits were filed in support of the plaintiffs'

Version No 1: 20 Nov 2026 (00:35 hrs)

application for a Mareva injunction and for their O 14 application. In his third affidavit, Mocnik disputed Schlotzer's affidavit and asserted:-

> a. there was no charter-hire dispute. The charter-party terms had been negotiated by the plaintiffs' ship brokers Genshipping in particular by Kobal, with the defendants. There was no misunderstanding or disagreement on the rate of charter-hire as the defendants had agreed to and had accepted the daily rate of US$4,750 in their fax to Genshipping dated 31 January 1997. Although the charter commenced on 14 February 1997, the charter-party was not signed until some five (5) months later as the defendants prepared the agreement late. The reason that cl 4 of the agreement stated the hire to be US$4,700 instead of US$4,750 was due to a typographical error; the defendants had previously hired another vessel from the plaintiffs called the "Her Ann" and had requested that the charter of the vessel be concluded on terms similar to the "Her Ann"; they merely adopted the same agreement as for the "Her Ann" and failed to amend cl 4 therein relating to the hire rate;
>
> b the plaintiffs had no option but to use their own agents at various ports because the defendants breached cl 2 of the charter-party by failing to provide and pay for agents. When the vessel arrived at Port Suez, the plaintiffs contacted the defendants' nominated agents Fairtrans Maritime (Fairtrans) to arrange for passage through the Suez Canal. The Master was informed that the defendants owed canal dues as which result the transit time was unknown. He then contacted the plaintiffs' own agents Barwil at Alexandria, to ascertain the true position. When he did, Barwil informed him that the defendants had failed to pay Fairtrans arising out of a previous passage arranged for the defendants. Similar information was given to the Master when the vessel called at Pozzalla, Italy, after Port Suez. A fax showed that Intermare's sub-agents had been informed by the defendants that the defendants did not intend to pay for the vessel's port expenses at Pozzalla. Indeed the defendants had not provided Intermare with funds at all. The plaintiffs had no choice but to use their own agents at various ports of call as, had they appointed the defendants' agents, there was a real risk that those agents would have used the plaintiffs' monies to offset the outstanding amounts owed by the defendants. In any event Schlotzer had not disputed the port charges exhibited in Mocnik's second affidavit, Schlotzer merely said that he was *"not convinced of the veracity of the particulars of the plaintiffs' claim"*. This clearly showed that the defendants had no real dispute with port charges but were merely trying to delay and avoid payment.

Version No 1: 20 Nov 2026 (00:35 hrs)

> c. the arrest of the vessel in Italy was due to the defendants' failure to pay A/S Dan for bunkers previously supplied, despite a fax reminder from the plaintiffs and a warning of legal proceedings if the defendants failed to pay. There was no logic to Schlotzer's argument that the Master breached the charter-party by failing to clause bunker delivery receipts with the words "for charterer's account" as, it was the defendants' failure to pay for bunkers supplied, which resulted in the vessel being arrested, not any confusion on the part of A/S Dan as to who was actually liable to pay for the bunkers. There is no implied term in the charter-party or usual shipping practice that bunker delivery receipts must be claused as alleged by Schlotzer. The plaintiffs mitigated their loss and assisted the defendants by settling with A/S Dan for less (US$90,000) than the actual bunker claim (US$130,001.68) saving the defendants US$40,001.68;
>
> d. there was clear documentary evidence that the defendants were supplied bunkers through Passage, which orders the defendants placed with A/S Dan. In turn, Passage arranged for Red Sea Trading Company (Red Sea) of Cairo and or Societe Cooperatives des Petroles (Petroles) to make the actual deliveries.

14. I was informed by counsel for the plaintiffs that the orders made by the learned deputy registrar, imposing security as a condition for stay, were in accordance with s 6(2) of the Act. Indeed, their counsel said the security ordered of US$458,000 was insufficient to secure the plaintiffs' total claims which approximated US$577,874.45 as at 17 March 1998 and continued to increase because of the interest element; hence, the court should not reduce the security already ordered, which I did and which prompted the plaintiffs' request for further arguments.

15. With regards to the O 14 application, the defendants did not file any affidavit prescribed under O 14 r 2(4) of the Rules of the Supreme Court to show cause why the plaintiffs should not be granted judgment. Accordingly, reference was made by counsel for both parties to the affidavits filed by Schlotzer for the stay application.

Version No 1: 20 Nov 2026 (00:35 hrs)

16. Counsel for the defendants objected to the plaintiffs referring to the (first) affidavit filed by Mario Lazic (Lazic) on 16 February 1998 and to the second affidavit of Kobal filed on 14 February 1998; these had been filed without leave contrary to the order made by an assistant registrar on 2 December 1997 that the defendants' affidavit in reply would be the last. Counsel for the plaintiffs clarified that the application before the assistant registrar (which commenced on 1 December 1997) was the defendants' application (summons in chambers entered no. 8811 of 1997) for security for costs, on which an order was granted. The plaintiffs were directed by the assistant registrar to file their affidavits for both the O 14 and the stay applications, by 29 December 1997 while the defendants were granted leave to file one last affidavit for the stay application, by 12 January 1998.

17. I overruled the objections of counsel for the defendants; I note that Lazic who is the corporate representative of Genshipping filed his affidavit to exhibit documents to rebut Schlotzer's contention that, the plaintiffs forcibly took over control of the vessel and the defendants were not liable for bunkers supplied to and port charges incurred for the vessel; no new issues were raised. As for Kobal's second affidavit, the plaintiffs explained that Schlotzer had alleged that Kobal had a personal interest in the defendant company; it was only fair that Kobal was given an opportunity to correct the false impression created.

18. With regards to the joinder application, no affidavit was filed at all by SEP Logistics; the company entered an appearance (which counsel applied to withdraw which request I rejected) and their counsel made submissions to resist the application.

Version No 1: 20 Nov 2026 (00:35 hrs)

19. In support of the joinder application, the plaintiffs filed Lazic's second affidavit on 27 March 1998 wherein reference was also made to Kobal's third affidavit dated 27 March 1998. Lazic's affidavit stated:

> a. that the defendants have a paid-up capital of 300,000 shares of which 100,000 were registered in the name of the deceased, 50,001 in the name of Schlotzer and the remaining 49,999 shares were registered in the name of SEP Ltd, a nominee company incorporated in the British Virgin Islands. A search in the Registry of Companies showed that the defendants were incorporated on 2 January 1996, the defendants have their office at No 240A, Pasir Panjang Road;
>
> b. A search on SEP Logistics showed that the company was incorporated on 24 September 1993 and has its office at No 238A/240A, Pasir Panjang Road. It has a paid-up capital of 152,000 shares of which 150,000 are registered in the name of Schlotzer's wife Angela de Lucio Huerta (Huerta) and the remaining 2,000 shares are registered in the name of SEP Ltd; Huerta is also the managing director of SEP Logistics;
>
> c. In Suit 1635 of 1997, Schlotzer had produced a table setting out each shareholder's interest in the defendants. In that table (exh ML-6) Schlotzer had listed "SEP" under his interest. Therefore it would be logical to conclude that Schlotzer beneficially owned the 2,000 shares registered in the name of SEP Ltd; it follows therefrom that SEP Logistics are wholly controlled by Schlotzer and his wife Huerta. In Suit No 1635 of 1997, Huerta had also admitted that SEP Logistics control SEP Logistics, Beijing;
>
> d. there is an action pending in Suit No 1567 of 1997 between SEP Logistics and the defendants in which the former is claiming the sums of US$315,613.70 and S$64,053.56 in respect of disbursements allegedly incurred on behalf of the defendants. The writ of summons was served on the defendants on 4 August 1997 on which very day Schlotzer authorised payment from the defendants to SEP Logistics in the sum of US$230,376.54;
>
> e. the deceased's claim against Schlotzer and SEP Logistics in Suit No 1635 of 1997 was for breach of a funding agreement where Schlotzer failed to provide his share of funding/capital for the defendants. Instead, Schlotzer purported to transfer large sums of money from the defendants to SEP Logistics, including the sum of US$230,376.54 in Suit No 1567 of 1997. A preservation order was granted by the court to the deceased on 25 August 1997 to prevent Schlotzer as the defendants'

Version No 1: 20 Nov 2026 (00:35 hrs)

managing director from transferring out the company's assets or to himself. Prayer 4 of the said order required Schlotzer and SEP Logistics to transfer back to the defendants' account the sum of US$230,376.54. This order was subsequently varied and then discharged altogether by another court on 23 March 1998 as, it was found that insubstantial sums were caught by the freezing order and hence the same had no practical effect. The court ordered that the monies which remained in the accounts of SEP Logistics should be paid over to the solicitors for the deceased, to hold as stakeholders pending trial;

f. both Suits No 1635 of 1997 and 1567 of 1997 have been consolidated by order of court;

g. David Kinnear (Kinnear) the former general manager of the defendants commenced action in DC Suit No 1185 of 1998 on 6 March 1998 and served on the defendants a day later, allegedly for outstanding wages totalling $41,000 for the period July to December 1997. According to Kobal's third affidavit, the defendants ceased operations since August 1997 and hence there was no need for a general manager to be employed. Kinnear had resigned by his letter dated 18 August 1997. Kobal recalled that he, Schlotzer and the deceased had discussed the future of the defendants in August 1997 and had decided that Kinnear's services would be terminated. Further Kinnear's employment contract (cl 2.4) provided for immediate termination in the event the defendants ceased operations (see exh GK-11). Kobal opined that Kinnear's suit was another attempt by Schlotzer to 'milk' the defendants of their remaining funds. It was not surprising therefore that when Kobal instructed the deceased's solicitors to enter an appearance to Kinnear's action (not realizing that Kinnear had already obtained judgment in default of appearance) Kinnear's solicitors sought a warrant to act and, when approached by the deceased's solicitors, Schlotzer refused to give his consent;

h. it is curious that Schlotzer decided against defending Kinnear's claim. Schlotzer through his solicitors had said that there was no defence to Kinnear's claim even though there was no reason to employ Kinnear after August 1997 and, according to Schlotzer's own affidavit filed in Suit No 1635 of 1997, Kinnear had been fully paid his July 1997 salary of $10,000. The defendants and SEP Logistics share office premises at Pasir Panjang so Schlotzer cannot claim to be ignorant of Kinnear's summons. Even more curious, on 16 March 1997, after Kinnear had obtained judgment in default of appearance 2 days earlier, his solicitors had sought to garnish the defendants' bank account with Hongkong Bank, which very account the plaintiffs had injuncted in this suit;

Version No 1: 20 Nov 2026 (00:35 hrs)

> i. Lazic questioned Schlotzer's bona fides in resisting the plaintiffs' claim especially when he asserted that the defendants had no defence to Kinnear's claim even though it was clearly frivolous. In a fax to Kobal dated 5 August 1997 (see exh ML-22), Schlotzer had acknowledged that the defendants were in financial difficulties and he was waiting *"that someone will wind up the company";* yet he willingly transferred US$230,376.54 of the defendants' monies to SEP Logistics.

The stay application

20. At this juncture it would be appropriate to refer to the Act, the relevant provision is s 6 which states:

> (1) Without prejudice to Article 8 of the Model Law, where any party to an arbitration agreement to which this Act applies institutes any legal proceedings in any court in Singapore against any other party to the agreement may, at any time after appearance and before delivering any pleadings or taking any other steps in the proceedings, apply to that court to stay the proceedings. (2) The court to which an application has been made in accordance with subsection (1) shall make an order, upon such terms or conditions as it may think fit, staying the proceedings unless it is satisfied that the arbitration agreement is null and void, inoperative or incapable of being performed. (3) Where a court makes an order under subsection (2), the court may, for the purpose of preserving the rights of parties, make such interim or supplementary orders as it may think fit in relation to any property which is the subject of the dispute to which the order under that subsection relates. (4) For the purposes of subsections (1), (2) and (3), a reference to a party includes a reference to any person claiming through or under such party.

21. In making the orders which I did, I bore several factors in mind. Although this suit was between two companies, there was a divergence of opinion between the majority (the deceased) and minority (Schlotzer) shareholders, of the defendants. The former as now represented by the personal representatives of the deceased, did not wish to defend the plaintiffs' claim for costs considerations whereas the latter for his own reasons, wanted to do so; it is

Version No 1: 20 Nov 2026 (00:35 hrs)

irrelevant for my consideration whether the personal representatives of the deceased are his next-of-kin or Kobal as the defendants contended. I disregarded the very technical objection raised by counsel for the defendants, that Schlotzer's authority and his firm's authority could not be effectively revoked save by calling a general meeting of shareholders, after the grant of probate of the deceased's estate, had been extracted; that procedure goes to form, not substance. It sufficed that the personal representatives of the deceased had expressly instructed the defendants' solicitors not to continue to act. Further, it was evident from the plaintiffs' affidavits that Schlotzer's reasons in resisting the plaintiffs' claim were not bona fide. Counsel for the plaintiffs had alleged that Schlotzer's motive was to run the defendants to the ground, incurring substantial legal costs in the process, to the detriment of not only the deceased as the company's majority shareholder but also of the plaintiffs. It is also noteworthy that Schlotzer, in his fax to Kobal dated 5 August 1997 had acknowledged that the defendants were in financial difficulties and he was waiting for someone to wind up the company.

22. For the reasons stated in the above paragraph, I varied the order made by the deputy registrar, which would have been unduly onerous on the defendants, by reducing the security he had ordered to be furnished by the defendants as a condition of stay, from US$458,000 to US$50,000. In view of the demise of the majority shareholder of the defendants and the clear and unequivocal stand of the personal representatives of the deceased, that they did not wish the dispute between the parties to proceed to arbitration in London, I varied my order further to the effect that Schlotzer should personally furnish the drastically reduced security of US$50,000 and bear the costs of instructing London solicitors on behalf of the defendants for the arbitration. This seemed to me to be the fairest order to make under the circumstances. If, as Schlotzer maintained, he was

Version No 1: 20 Nov 2026 (00:35 hrs)

acting in the interests of the defendants and he felt that they had a strong case, he should have no objections to my orders. Further, at a later date, Schlotzer could initiate a board meeting of the defendants' board of directors to pass a resolution to ratify his actions and to authorise reimbursement to him of expenses he had incurred on the defendants' behalf for the arbitration proceedings in London, if he was confident his actions on the defendants' behalf would be approved.

23. My orders as well as the original orders of the deputy registrar were made in accordance with s 6(2) of the Act, that a stay could be ordered on such terms and conditions as the court may think fit. I find no provisions in the Act and certainly I was informed of none by counsel for the defendants, that fettered the discretion of a court in imposing terms for granting a stay. Counsel did not cite any authorities for the defendants' argument that s 6(3) overrides s 6(2) of the Act. A plain reading of s 6(3) does not support his interpretation.

24. What was very obvious from the affidavits was, that Schlotzer had failed to render any satisfactory explanation, as to why he chose to pay with alacrity, the claim of US$230,376.54 made by SEP Logistics, a company controlled if not wholly owned by him and his wife, in Suit No 1567 of 1997, on the very day the writ of summons was served on the defendants. He further instigated Kinnear's claim which was undoubtedly baseless and caused Kinnear to garnish the defendants' bank account frozen by the plaintiffs' Mareva injunction.

25. I was also of the view that this was an appropriate case in which the corporate veil should be lifted to ascertain who was/were the alter ego(s) behind SEP Logistics. It was clear that where it suited his own personal interests to do so, Schlotzer would pay the debts owed by the defendants and even claims not

Version No 1: 20 Nov 2026 (00:35 hrs)

owed (as in Kinnear's case) but he would delay and in fact deny payment to other creditors such as the plaintiffs even though, from the affidavit evidence, it was equally clear that Schlotzer had raised no triable issues and the defendants had no plausible defence to the plaintiffs' claim for breach of the charter-party.

LAI SIU CHIU

JUDGE

Lai Siu Chiu J

Corina Song & Gina Wan (Allen & Gledhill) for the plaintiffs
Julian Kwek (Gabriel Peter & Partners) for the defendants
A Rajandran (A Rajandran, Joseph & Nayar) for SEP Logistics Pte Ltd

Version No 1: 20 Nov 2026 (00:35 hrs)