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

[2022] SGHC 55

Originating Summons No 452 of 2020
(Summons No 2085 of 2021)

In the matter of Sections 227B and 227G of
the Companies Act (Cap 50, 2006 Rev Ed)

Ocean Tankers (Pte) Ltd

… *Applicant*

GROUNDS OF DECISION

[Companies — Receiver and manager — Judicial management order]

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Kannan Ramesh J
31 August, 13, 20 September 2021

14 March 2022

Kannan Ramesh J:

1 HC/SUM 2085/2021 ("SUM 2085") arose out of the judicial management of Ocean Tankers (Pte) Ltd ("OTPL"). It was an application by the judicial managers of OTPL ("the OTPL JMs") for directions under s 227G(5) of the Companies Act (Cap 50, 2006 Rev Ed) ("the Companies Act"). The directions related to claims arising out of OTPL's charter of 76 vessels owned by some 40 subsidiaries of Xihe Holdings (Pte) Ltd ("Xihe Holdings") (also in judicial management), and whether such claims were expenses of OTPL's judicial management ("judicial management expenses") to be paid in priority to OTPL's unsecured debts. On 20 September 2021, I gave guidance on which of the claims were judicial management expenses. The judicial managers of Xihe Holdings ("the Xihe JMs") have appealed my decision. I now give my detailed grounds of decision.

Background

2 OTPL and Xihe Holdings were both incorporated by Mr Lim Oon Kuin ("Mr Lim") who also incorporated Hin Leong Trading (Pte) Ltd ("HLT"). Mr Lim also incorporated the various companies in the "Xihe Group" which consisted of, amongst others, Xihe Holdings and Xihe Capital (Pte) Ltd ("Xihe Capital"). Prior to OTPL, HLT and certain companies in the Xihe Group entering an insolvency process, their businesses were connected. Some of the companies within the Xihe Group ("the vessel-owning subsidiaries") owned vessels which OTPL, a ship chartering and ship management company, would charter principally under bareboat charters (some vessels were chartered under time charterparties). Xihe Holdings itself did not own any vessels. A large part of OTPL's fleet was vessels chartered from the vessel-owning subsidiaries. OTPL would sub-charter those vessels to or enter into contracts of carriage with HLT, which was one of Singapore's largest oil and related commodities trading companies at that time. This was a significant part of OTPL's business, with approximately one-third of its revenue prior to April 2020 coming from HLT.

3 As noted above, SUM 2085 only concerned vessels on charter from *some* of the vessel-owning subsidiaries, namely, 40 subsidiaries of Xihe Holdings. These subsidiaries of Xihe Holdings were later placed in various insolvency processes with insolvency office holders other than the Xihe JMs appointed. Throughout the course of these grounds of decision, I refer to these subsidiaries as "the vessel owners". The Xihe JMs represented them in SUM 2085, and thus references to submissions made by the Xihe JMs should be taken to mean submissions made on the vessel owners' behalf as well.

4 HLT filed an application for judicial management in late April 2020. OTPL followed soon thereafter, filing a similar application on 6 May 2020. On

12 May 2020, the OTPL JMs were appointed as interim judicial managers ("the IJM Order"). They were appointed as judicial managers on 7 August 2020 ("the JM Order"). References to the OTPL JMs in the period 12 May 2020 to 6 August 2020 ought to therefore be understood as referring to the OTPL JMs acting in their capacity as *interim judicial managers* of OTPL.

5 Following the appointment of interim judicial managers and pending disposal of the application for judicial management, OTPL continued to retain its sizeable fleet of chartered vessels from the vessel-owning subsidiaries. As interim judicial managers, the OTPL JMs examined the affairs of OTPL and recognised that it was unprofitable to maintain the fleet and explored different uses for the vessels.

Attempts to redeliver vessels

6 On 18 May 2020, the OTPL JMs met with the Xihe Group. At this meeting, the OTPL JMs presented a slideshow with several options, including redelivery of 119 vessels. The slideshow also contained what was described as an "alternative to physical delivery". This was for OTPL to enter into ship management agreements with the vessel-owning subsidiaries. This proposal (*ie*, the ship management agreements) was, however, not accepted by the Xihe Group. It should be emphasised that the meeting was with the *management* of the Xihe Group – at this point, the entities in the Xihe Group were not in an insolvency process. Many of them only entered interim judicial management in August 2020 (see [10] below).

7 From 20 May 2020 to 3 June 2020, notices of termination ("the Termination Notices") were issued by the relevant vessel-owning subsidiaries in respect of bareboat charters for 41 vessels and time charters for two vessels. Some of these vessels were the subject of SUM 2085. In e-mails in

late May 2020, the OTPL JMs accepted the Termination Notices and agreed to redelivery subject to payment of "remaining on board" ("ROB") under the charterparties.

8 The two vessels on time charter were redelivered prior to the JM Order. However, redelivery for the 41 vessels under the bareboat charters could not take place because the relevant vessel-owning subsidiaries: (a) had not obtained written consent from the mortgagees of the vessels to terminate the bareboat charters and take redelivery; and (b) required leave of court to take redelivery of the vessels during the interim judicial management period.

9 Accordingly, on 6 July 2020, the relevant vessel-owning subsidiaries filed HC/OS 652/2020 ("OS 652") to obtain leave of court for redelivery of 37 vessels that were the subject of bareboat charters with OTPL. It was unclear why leave was not sought for all 41 vessels. The OTPL JMs did not resist the application, maintaining their earlier position that they wished to redeliver the vessels. However, they made it clear that redelivery was subject to leave of court and the mortgagees' consent being obtained. Ultimately, no hearing date was fixed as the applicants were directed at a pre-trial conference on 21 July 2020 to obtain consent from the mortgagees to terminate the bareboat charters, and then to work out the terms of redelivery with the OTPL JMs.

10 However, the discussions on the terms of redelivery did not reach a conclusion. On 13 August 2020, Xihe Holdings and four of its vessel-owning subsidiaries were placed under interim judicial management orders, following applications brought by Overseas-Chinese Banking Corporation Ltd, a creditor. The Xihe JMs were appointed as interim judicial managers and took control of 28 vessels that were the subject of OS 652. The Xihe JMs were appointed judicial managers on 13 November 2020. References to the Xihe JMs in the

period 13 August 2020 to 13 November 2020 ought to therefore be understood as referring to the Xihe JMs acting in their capacity as interim judicial managers of Xihe Holdings.

Events after the Xihe JMs were appointed

11 From 31 August 2020 to 3 September 2020, the OTPL JMs sent notices to the vessel owners, electing not to adopt the bareboat charters with regard to a number of vessels (the "Notices of Non-Adoption"), pursuant to s 227I(3) of the Companies Act. When I gave my decision, I stated that it was not made clear to me how many of the 76 vessels in SUM 2085 had Notices of Non-Adoption issued in relation to them. However, upon further review of the materials, it appears that Notices of Non-Adoption were issued in relation to 74 out of the 76 vessels that were the subject of SUM 2085. The remaining two vessels, the "Ocean Princess" and the "Ocean Pride", were on time charters which were terminated on 4 June 2020 and redelivered by OTPL prior to the JM Order (see [8] above). Accordingly, Notices of Non-Adoption were not necessary. The Notices of Non-Adoption were also sent to the relevant mortgagees.

12 The conduct of the Xihe JMs following the issuance of the Notices of Non-Adoption was significant as it represented a *volte face* compared to the position taken by the management of the Xihe Group. The Xihe JMs took the following steps. First, between 1 and 2 September 2020 they issued notices to the OTPL JMs retracting the Termination Notices, notwithstanding that they had been accepted by the OTPL JMs (subject to the conditions noted at [7]–[8] above). Second, in response to the Notices of Non-Adoption, between 10 and 15 September 2020, they issued notices to the OTPL JMs affirming the bareboat charters. Finally, they sought leave to discontinue OS 652. Leave was granted on 28 September 2020.

13 In response, on 1 October 2020, the OTPL JMs filed HC/SUM 4257/2020 ("SUM 4257") to disclaim and terminate 96 bareboat charters as unprofitable contracts pursuant to s 332 read with s 227X of the Companies Act. Parties to SUM 4257 attended mediation and were able to resolve issues with regards to a large number of vessels. Accordingly, SUM 4257 proceeded only with regard to 57 vessels – 52 of these vessels belonged to the subsidiaries of Xihe Holdings, while five belonged to Xihe Capital and its subsidiaries.

14 On 23 November 2020, I heard SUM 4257 and granted leave for the OTPL JMs to disclaim the bareboat charters ("the Disclaimer Order"). The Disclaimer Order contained consent orders pertaining to how redelivery of the vessels was to be effectuated and also stipulated that the vessel-owning subsidiaries and mortgagees would bear all costs for crewing, maintenance and upkeep that might be reasonably incurred from 10 November 2020 until redelivery. However, the Disclaimer Order was without prejudice to the rights of the vessel-owning subsidiaries to claim such amounts from OTPL.

The Xihe JMs assert priority claims

15 On 2 December 2020, M/s WongPartnership LLP ("WongP"), solicitors for the Xihe JMs, wrote to M/s K&L Gates Straits Law LLC ("Straits Law"), solicitors for the OTPL JMs ("the 2 December Letter"). In the letter, the Xihe JMs reserved their right to lodge proofs of debt in the judicial management or winding up of OTPL for several categories of claim amounting to approximately US$156m. These included charterhire and costs for crewing, maintenance, upkeep, insurance, surveys and the repair of the vessels. Importantly, the 2 December Letter stated that (a) the claims would be lodged as priority claims that ranked *pari passu* with the OTPL JMs' remuneration and expenses, and

(b) the OTPL JMs should preserve sufficient funds to meet these claims pending their adjudication.

16 On 4 December 2020, the OTPL JMs wrote to OTPL's creditors, including the vessel owners, inviting them to submit their proofs of debt by 5.00pm, 18 December 2020. This was done to determine creditor voting entitlements at the first creditors' meeting that was to be held on 6 January 2021 ("the First Creditors' Meeting").

17 On 15 December 2020, Straits Law responded to the 2 December Letter by e-mail. This e-mail simply noted the contents of the 2 December Letter, and stated that the OTPL JMs would carry out the administration of OTPL's affairs and funds as they deemed fit and in accordance with their obligations at law.

18 On 18 December 2020, the Xihe JMs, on behalf of the vessel owners, filed proofs of debt. These proofs of debt labelled certain bareboat charter claims as priority claims. These were adjudicated for the purpose of determining voting entitlement, but there was no admission that the claims would be accorded any such priority.

19 On 26 December 2020, WongP wrote to Straits Law and reminded the OTPL JMs to set aside sufficient funds to meet the claims. Several days later on 29 December 2020, Straits Law responded stating that the OTPL JMs did not agree that the claims in the proofs of debt amounted to priority claims, and that they would make an application to court to determine the issue. Several days later at the First Creditors' Meeting, the OTPL JMs clarified that they would not make any payment until the court gave directions on the issue concerning the claims.

20 On 10 February 2021 and 1 April 2021, the Xihe JMs emailed the OTPL JMs stating that they agreed to pay certain crew wages that OTPL had claimed for November and December 2020. However, they also made deductions from these payments for certain repair costs they had incurred for several vessels. The OTPL JMs did not agree to such deductions on the basis that it was not clear what those costs related to.

21 On 20 April 2021, WongP wrote to Straits Law to demand immediate payment by OTPL of further repair costs incurred by the Xihe JMs and the vessel owners in respect of ten vessels. These costs were estimated to be US$3,115,000 ("the 20 April Letter"). This claim was made on the basis that OTPL had breached bareboat charters by failing to maintain and redeliver the vessels in good condition. The letter also stated that the Xihe JMs reserved their right to set off their claims for repair costs against amounts claimed by OTPL.

22 Nine days later on 29 April 2021, a representative from the same auditing firm as the Xihe JMs e-mailed the OTPL JMs on behalf of the Xihe JMs on OTPL's claims for operational expenses with regard to a vessel that had not yet been redelivered. In this e-mail, it was asserted that OTPL's claim could be set off against the amounts it owed to various vessel-owning subsidiaries, including the costs of repair referred to in the 20 April Letter.

SUM 2085

23 On 1 May 2021, the OTPL JMs filed SUM 2085 seeking directions related to claims that arose out of OTPL's charter of 76 vessels owned by the vessel owners. The claims were under the bareboat charters for the vessels, consisting of:

(a) charterhire for the period of use (the "period of use" being the period of sub-charter or carriage under a sub-charterparty or contract of carriage entered into by OTPL with various parties respectively); and

(b) ancillary liabilities incurred during the period of use ("ancillary liabilities" being such sums, other than charterhire, that were payable or to be borne by OTPL under bareboat charters).

The OTPL JMs' position was that such claims were to be treated as ordinary unsecured debts ranking *pari passu* with OTPL's other unsecured debts, *ie*, they enjoyed no priority. The Xihe JMs opposed the application, maintaining their position that such claims enjoyed priority as judicial management expenses.

The judicial management expenses principle

24 A claim under a pre-insolvency contract may be afforded priority in judicial management in one of two ways. The judicial managers could "adopt" the contract under which the claim arises, or the claim could attract the application of the "judicial management expenses principle": Re *Swiber Holdings Ltd* [2018] 5 SLR 1358 ("*Swiber*") at [83], [86]–[87]. It was common ground between parties that the latter was central to SUM 2085.

25 The judicial management expenses principle states that "certain debts or liabilities may be treated as expenses of [the judicial management] to be paid in priority to other unsecured debts", these expenses being "[post-judicial management] liabilities incurred by a [judicial manager] for the purposes of [the judicial management]". Important to SUM 2085, the principle also extends to "expenses incurred by [the judicial manager] over *the continued use of property*" [emphasis in original] or "continuing obligations under existing

contracts such as leases which [the judicial manager] chooses to continue for the benefit of the [judicial management]": *Swiber* at [87].

26 With regard to the retention and continued use of property, the rationale for extending priority to expenses arising out of such use was observed in the Court of Appeal case of *Chee Kheong Mah Chaly and others v Liquidators of Baring Futures (Singapore) Pte Ltd* [2003] 2 SLR(R) 571 ("*Chaly Chee*") at [52]. There, Chao Hick Tin JA (as he then was), cited Lindley LJ in *In re Oak Pits Colliery Company* (1882) 21 Ch D 322 at 330, who explained that such expenses would be afforded priority as it was an expense contracted for the purpose of the winding up of the company. Such rationale would apply equally to judicial management: where a judicial manager retains property and continues to use it for the purposes of the judicial management, the expenses arising out of such use would be judicial management expenses.

27 It was also common ground that the inquiry was not simply whether property was retained by the liquidator or judicial manager, but whether it was retained *for the benefit of the estate*. In other words, the inquiry is not focused on the *fact* of retention; rather it is on the *purpose* of retention: *In re ABC Coupler & Engineering Co. Ltd. (No. 3)* [1970] 1 WLR 702 at 709B. The purpose of retention is objectively assessed by the conduct of the liquidator/judicial managers: *In re Downer Enterprises Ltd* [1974] 1 WLR 1460 at 1466.

28 The Xihe JMs also made the point that the judicial management expenses principle would apply even where a company is in interim judicial management. This was not contested by the OTPL JMs and rightly so. There is no reason for the judicial management expenses principle not to apply where a company is in interim judicial management. Questions of whether it would be

beneficial to retain property are present regardless of whether the company is in judicial management or interim judicial management; interim judicial managers are also faced with decisions that need to be made for the benefit of the estate: *MK Airlines Property Ltd v Katz* [2014] BCC 103 at [35(a)].

29 Having said that, I would venture to suggest that in assessing whether an interim judicial manager has retained the property for the benefit of the estate, some degree of latitude ought to be afforded to the interim judicial manager given the purpose of his appointment. In this regard, it is pertinent to note that unlike a judicial manager, the interim judicial manager does not have the capacity to disclaim onerous contracts or issue a notice of non-adoption of a pre-insolvency contract under s 332 (read with s 227X) and s 227I(3) respectively of the Companies Act.

The parties' positions

30 The OTPL JMs' general position was that they did not choose to retain the vessels in question for the benefit of the estate and intended, indeed wanted, to return them. They argued that they took steps to terminate the relevant bareboat charters and had sought to redeliver the vessels to the vessel owners as soon as possible. In support, they pointed to, amongst other things, their indication to the Xihe Group that they wanted to redeliver 119 vessels in their fleet at the 18 May 2020 meeting (see [6] above); and their acceptance of the Termination Notices (see [7] above).

31 The Xihe JMs argued that although the OTPL JMs had raised the option of redelivery, they had made this subject to several conditions. For example, the OTPL JMs had asked for full payment of all ROB upon redelivery. Most importantly, they had also asked for the finalisation of ship management agreements in order to preserve OTPL's ship management business, secure a

source of income, and advance OTPL's restructuring efforts. In other words, these steps were beneficial to the judicial management and thus any claim arising out of retention and use of the vessels was a judicial management expense.

Preliminary issue: The Carve-Out

32 Before considering the application of the judicial management expenses principle proper, I shall first deal with the carve-out ("the Carve-Out") proposed by the OTPL JMs in prayer two of SUM 2085. The substance of the Carve-Out was that charterhire was to be regarded as a judicial management expense *only for the specific period of use* (as opposed to the period of retention for use for the benefit of the estate), and provided that two pre-requisites were fulfilled: (a) that the OTPL JMs had received payment for sub-charterhire for the specific period of use; and (b) that the payment received was sufficient to cover the operating expenses and charterhire of the vessel for that period. In other words, charterhire would be subject to the judicial management expenses principle only for the specific period of use and if the sub-charter hire that was received for that period was in excess of operating expenses and charterhire.

33 The basis of the Carve-Out was not supported by principle. Its application was essentially predicated on the OTPL JMs making a net profit from the sub-charter of the vessels. This is not the basis of the judicial management expenses principle which is, as noted earlier, predicated on retention and use of assets under pre-insolvency contracts for the benefit of the estate (as stated above at [27]). When that happens, the judicial management expenses principle applies to liabilities that are payable under the terms of the pre-insolvency contract *for the entire period the asset is retained for the benefit of the estate and not just for the specific period of use*. Further, the applicability

of the principle is *not qualified by whether the debtor has turned a profit in the specific period of use or indeed the period of retention*. The Carve-Out was therefore not based on principle and was in any case inconsistent with the judicial management expenses principle.

34 The corollary of this was that where the judicial management expenses principle did not apply, neither would the Carve-Out. I make this point only because the Carve-Out did not distinguish between the period prior to the issuance of the Notices of Non-Adoption, and the period after. This was relevant as the judicial management expenses principle generally did not apply to the period after issuance of the Notices of Non-Adoption (see [51]–[54] below). It followed that the Carve-Out had no application in this period either.

Application of the judicial management expenses principle

35 I found that the judicial management expenses principle would generally not apply to the claims arising out of OTPL's use of the vessels. This was because, generally speaking, the facts demonstrated that the OTPL JMs had been compelled to retain the vessels at first due to extraneous circumstances, and later due to the actions of the Xihe JMs. However, this general position was subject to certain exceptions (see [58] to [75] below).

General position

36 The events leading up to SUM 2085 spanned over a year from the IJM Order on 12 May 2020. In support of their position, the Xihe JMs split the events leading up to SUM 2085 into four phases. However, I found that this delineation omitted important context. A better delineation could be drawn between the period before the Xihe JMs were appointed on 13 August 2020 (as interim judicial managers), and the period on and after.

37 Several events were significant in this regard and set the framework for the analysis. First, the proposals at the meeting on 18 May 2020 (see [6] above]. Second, issuance by the vessel owners of the Termination Notices between 20 May 2020 and 3 June 2020 and the acceptance of the same by the OTPL JMs, subject to conditions, in late May 2020 (see [7] above). Third, issuance by the OTPL JMs of the Notices of Non-Adoption between 31 August 2020 and 3 September 2020 (see [11] above). Fourth, the *volte face* of the Xihe JMs following the Notices of Non-Adoption (see [12] above).

The period before the Xihe JMs were appointed as interim judicial managers – 7 May 2020 to 12 August 2020

38 As noted earlier, the Xihe JMs were appointed interim judicial managers on 13 August 2020. In the period before their appointment (*ie*, when the management of Xihe Holdings and its vessel-owning subsidiaries were in place), the main contention was whether the OTPL JMs' conduct showed that they wanted to redeliver the vessels. The OTPL JMs submitted that they had wanted to redeliver the vessels but were hampered by a number of factors. The Xihe JMs argued the OTPL JMs' motivations had "morphed and evolved" such that they had retained the vessels to preserve OTPL's business, *ie*, for a purpose beneficial to the estate.

39 I agreed with the OTPL JMs generally. From May 2020 to August 2020, the OTPL JMs and the management of the Xihe Group shared the position that there should be physical redelivery of the vessels. This is clear from three key events.

40 First, the 18 May 2020 meeting between the OTPL JMs and the management of the Xihe Group. As noted above at [6], the OTPL JMs had presented a slideshow with the option of physical redelivery of the vessels, as

well as an "alternative" where OTPL would enter into ship management agreements with the vessel-owning subsidiaries.

41 It is important to note that in both situations, the bareboat charters would come to an end. In the first, by redelivery of vessels to the vessel owners. In the second, by entering into *post-insolvency contracts* (the ship management agreements) in place of the bareboat charters. I note that it is not clear whether under the ship management agreements, possession of the vessels would remain with OTPL or with the vessel owners with OTPL functioning purely as vessel manager. However, that is of no consequence as, even if it were the former, the fact remains that OTPL's control and use of the vessels would be under *post-insolvency contracts entered into by the interim judicial managers and not the bareboat charters*. The estate's and the OTPL JMs' obligation (if not disclaimed) to satisfy liabilities under post-insolvency contracts is not an issue that concerns the judicial management expenses principle. Thus, a proposal to enter into ship management agreements could not be the basis for concluding that the OTPL JMs were seeking to retain the vessels that were the subject of SUM 2085 for the benefit of the estate, thereby attracting the application of the judicial management expenses principle to the liabilities thereunder. Accordingly, it was evident that both proposals on the table at the meeting on 18 May 2020 did not involve the OTPL JMs seeking to retain and use the vessels for the benefit of estate *under pre-insolvency contracts* (*ie*, the bareboat charters). This is critical.

42 Second, the issuance and acceptance of the Termination Notices (see [7] above). The first Termination Notices were issued on 20 May 2020, two days after the 18 May 2020 meeting. In response, on 27 May 2020, the OTPL JMs communicated to Lim Chee Meng (a director of both Xihe Holdings and Xihe Capital) that they were "prepared to agree to re-delivery" subject to a review of

the charterparties and consent from the mortgagees. They also stated that redelivery would be subject to several matters being resolved, including the payment of ROB, the finalisation of the terms of the ship management agreements, and crewing arrangements to support OTPL's transition into becoming ship managers. On 30 May 2020, the OTPL JMs accepted the Termination Notices for vessels that were not under employment or laden with cargo (I will touch on the position as regards those vessels at [58] to [75] below). They further reiterated the desire for OTPL to transition into a ship management role, and that redelivery would be subject to payment of ROB as *per* the terms of the charterparties.

43 Third, commencement of OS 652 on 6 July 2020 by *inter alios* the vessel owners to obtain orders for redelivery of the vessels. The application was made because, as noted above at [8], redelivery could not be carried out as the mortgagees had not given their consent, and leave of court had not been obtained.

44 What is clear from the above is that the common position was that, if possible, the vessels should be redelivered and the bareboat charters brought to an end. This was consistent with the legal position that was crystallised by the OTPL JMs' acceptance of the Termination Notices. With the acceptance of the Termination Notices, OTPL was not in a position to retain possession of the vessels, and accordingly had to redeliver them subject to the consent of the mortgagees and leave of court being obtained. Pending satisfaction of these two conditions, redelivery could not take place. Whether ship management agreements were entered into was a separate matter and beside the point.

45 The Xihe JMs argued that these two conditions were not what stalled redelivery; instead, the OTPL JMs were withholding redelivery in order to

obtain ship management agreements and payment of ROB. I did not accept this argument. First, payment of ROB was a term stipulated in the charterparties. Thus, when the OTPL JMs communicated this condition, they were simply reminding the vessel owners of their contractual obligations. Indeed, it was the duty of the OTPL JMs to act in the interest of the estate in insisting that a liability, ROB, owed by the vessel owners under the bareboat charters was paid before redelivery. It could hardly be said that by insisting on payment, the OTPL JMs were retaining the vessels for the benefit of the estate.

46 Second, the argument premised on the ship management agreements does not pass muster for the reasons stated above at [44]. In any event, the evidence suggested that the OTPL JMs were merely exploring options and seeking input from the vessel-owning subsidiaries. In this regard, it is important to bear in mind that from May 2020 to August 2020, the OTPL JMs were acting as *interim judicial managers* (they were only appointed as *judicial managers* on 7 August 2020 as noted at [4] above). Their exploratory conduct was in line with their then duties as interim judicial managers. Thus, at its highest, the OTPL JMs' conduct was equivocal, and hardly qualifies as evincing an intention to retain the vessels for the benefit of the estate.

47 The Xihe JMs also pointed to the OTPL JMs' efforts to preserve OTPL's chartering business by sending out marketing material and fleet lists to possible customers. This was evidenced by, amongst other things, the OTPL JMs' report to the court dated 7 July 2020. In this report, they stated that they had "released communications … to reassure their customers *that [OTPL's] fleet would be available to the market*" and that they were "*actively pursuing potential charter opportunities* with viable customers" [emphasis added].

48 While I acknowledge that the OTPL JMs did send out marketing material and reassurances that their fleet could still operate, this must be seen in context. In particular, the OTPL JMs' report must be properly understood in the context of their acceptance of the Termination Notices and the commencement of OS 652 by *inter alios* the vessel owners, both of which preceded the report. As I have noted, even after accepting the Termination Notices, the OTPL JMs were hopeful of entering into ship management agreements with the vessel-owning subsidiaries. Such agreements would serve to preserve the fleet but with OTPL acting as managers of the vessels under *post-insolvency contracts*, and *not as charterers under pre-insolvency contracts, ie, the bareboat charters*. As such, it could not be the case that the OTPL JMs were representing that they were retaining the vessels under bareboat charters. To conclude as such would be to ignore their acceptance of the Termination Notices and stated position that they would not resist OS 652, subject to satisfaction of certain conditions (see [44] above).

49 Thus, it was clear to me that, from early on, the OTPL JMs had taken the position that the vessels should be redelivered to the vessel-owning subsidiaries. This position was shared by the management of Xihe Holdings. However, redelivery could not be carried out as they required the consent of the mortgagees, as well as leave of court. There was also the issue of payment for the ROB that needed to be resolved. Nonetheless, the OTPL JMs' crystallised legal position was that the vessels were to be redelivered, and thus it could not be said that they had retained the vessels for the benefit of the estate. Accordingly, the judicial management expenses principle would not apply to the claims under the bareboat charters arising from the use of the vessels in the period prior to the appointment of the Xihe JMs.

The period after the Xihe JMs were appointed as interim judicial managers – from 13 August 2020

50 While the OTPL JMs and the management of the Xihe Group worked towards redelivery of the vessels, this changed after Xihe Holdings and several of its subsidiaries entered judicial management. This change of position, and the consequences that followed, were important considerations in evaluating the merits of SUM 2085.

51 Once the Xihe JMs (as interim judicial managers) were placed in control, they took no further steps to take redelivery of the vessels. Following their appointment as judicial managers, the OTPL JMs issued the Notices of Non-Adoption in relation to 74 of the vessels in SUM 2085 (see [11] above). Faced with the Notices of Non-Adoption, the Xihe JMs acted in a certain manner.

52 Generally, a clear line had to be drawn between vessels where the Notices of Non-Adoption were issued, and vessels where they were not. By issuing the Notices of Non-Adoption, the OTPL JMs were using a statutory mechanism to disavow pre-insolvency contracts namely, the bareboat charters. They were *unequivocally* stating that: (a) they did not wish to retain possession of the vessels for the benefit of the estate; and (b) they wished to redeliver them. The judicial management expenses principle could not therefore be said to apply once the Notices of Non-Adoption were issued. This was subject to two possible exceptions in SUM 2085.

53 While the general position was that the judicial management expenses principle did not apply after the Notices of Non-Adoption, I found that it could apply in two possible situations. First, if the vessel: (a) had been deployed *prior* to the Notices of Non-Adoption for a purpose that attracted the application of

the judicial management expenses principle; and (b) such use continued *after* the Notices of Non-Adoption were issued. Second, if the vessels had been utilised for the benefit of the estate (as opposed to being used to mitigate operational expenses because of the Xihe JMs' refusal to take redelivery), after the Notices of Non-Adoption, notwithstanding their issuance.

54 That said, the general position was that once the Notices of Non-Adoption were issued, the Xihe JMs were obliged to take redelivery, and as unsecured creditors, submit proofs for unpaid dues and other liabilities arising from the premature termination of the charterparties. However, the Xihe JMs instead took steps that essentially compelled the OTPL JMs to retain possession of the vessels (see [12] above): retracting the Termination Notices, affirming the bareboat charters, and discontinuing OS 652.

55 This conduct was a *volte face* to that of the management of the Xihe Group. It became clear that there was a strategic reason behind this change of tack. As stated earlier, in response to the new position taken by the Xihe JMs, the OTPL JMs filed SUM 4257 to disclaim the bareboat charters as onerous contracts on the basis that there were unprofitable (see [13] above). The Xihe JMs opposed SUM 4257, arguing that allowing the application "would greatly prejudice [the vessel-owning subsidiaries]" as they did "not have sufficient cash at [that] point to take immediately redelivery of all their vessels" [*sic*], and if they were "forced to take immediate redelivery, [they would] not be able to fund the necessary operating expenses for all the vessels". I should point out that a large majority of the vessels that were the subject of SUM 2085 were also the subject of SUM 4257.

56 In other words, the Xihe JMs refused to take redelivery from the OTPL JMs because they wanted to stall until they themselves were ready to take

redelivery. By keeping the vessels with OTPL, the operational costs of the vessels fell on OTPL and not the estate of the vessel-owning subsidiaries, and by extension the estate of Xihe Group. This meant that OTPL was incurring significant cashburn on vessels held under unprofitable charterparties which it did not want and was unable to return, because the vessel-owning subsidiaries were not in a position to take them back by reason of their own insolvency. This cashburn was consuming the cashflow of an insolvent estate, a clearly unsatisfactory state of affairs from the point of view of OTPL, its creditors, and the OTPL JMs. There was an impasse between on the one hand an insolvent charterer which did not want the vessels, and an insolvent owner who, despite the insolvency of its charterers, declined to take redelivery of the vessels.

57 In such circumstances, it could not be said that the OTPL JMs had retained vessels for the benefit of the estate. It might very well be the case that, after the Xihe JMs were appointed as interim judicial managers and after the Notices of Non-Adoption were issued, some of these vessels were used by the OTPL JMs to generate operating income to mitigate the significant expenses the estate incurred because of the Xihe JMs' refusal to take redelivery. However, this could not be said to be retention of the vessels for the benefit of the estate. The OTPL JMs' hand was forced by the position taken by the Xihe JMs. In order to mitigate the significant cashburn that the estate faced by the Xihe JMs' refusal to take redelivery of the vessels, they were left with little alternative but to use the vessels to earn income to mitigate the estate's expenses in relation to the vessels. Accordingly, I saw no basis for applying the judicial management expenses principle to the charterhire and ancillary liabilities for the period of use after the appointment of the Xihe JMs and the issuance of the Notices of Non-Adoption.

Exception: the vessels in Annex 1

58 While I found that, in general, the OTPL JMs had not retained the vessels for the benefit of the estate, this was subject to several categories of vessels that were used for various purposes. These categories were found in Annex 1 of an aide-mémoire tendered by the Xihe JMs on 9 September 2021 ("Annex 1"). It was submitted that "[a]t the very least, the charter-hire for [the vessels in Annex 1] should be payable as a priority expense".

59 Annex 1 was a categorisation of 39 vessels, most of which were the subject of SUM 2085. In total, there were six categories based on what the vessels were used for. The vessels in the first category of Annex 1 ("the First Category") were not the subject of SUM 2085 as the OTPL JMs had issued notices of adoption as regards the vessels in the First Category. Accordingly, as noted above at [24], this meant that any claims arising out of their use would be accorded priority under the judicial management expenses principle. Thus, I only dealt with the remaining categories.

The Second Category

60 The second category in Annex 1 related to vessels that were used by the OTPL JMs to store and transport cargo ("the Second Category"). The period of use for this category was from as early as May 2020 until early December 2020. I assumed that there was no downtime between voyages for the vessels in the Second Category as I was told that the vessels were carrying cargo under pre-insolvency contracts of carriage and were retained for the limited purpose of completing their voyages.

61 The vessels in the Second Category had been used to store and transport cargo prior to the Notices of Non-Adoption, and this use continued after their

issuance. Thus, as I noted above at [53], the judicial management expenses principle could apply even after the Notices of Non-Adoption if the use of the vessels attracted its application.

62 The OTPL JMs characterised their situation as being unenviable: if they did not retain the vessels in the Second Category and complete the voyages, they would be forced to dump the cargo that was on board under pre-insolvency contracts of carriage. The crux of this submission was that they had no choice but to retain the vessels in the Second Category, *ie*, they had not been retained for the benefit of the estate. On this basis, it was submitted that the judicial management expenses principle ought not to apply.

63 At first blush, this submission was attractive and appeared to carry some force. However, it failed to deal with the real question: who bore the responsibility for the cargo carried by the vessels in the Second Category? It was clear to me that the responsibility fell on the estate. While the OTPL JMs could not dump the cargo and thus had to retain the vessels to complete the voyage, this was their burden to bear. Indeed, dumping the cargo would have increased the liabilities owed by the estate. Retention of the vessels to complete the contract of carriage could therefore be said to be in the interest of the estate. Ultimately, the OTPL JMs had to decide the best way forward and in deciding to complete the voyage, there was effectively a "forced adoption" of the charterparties for that limited purpose.

64 Thus, I held that the judicial management expenses principle applied to the expenses for the period of use for the vessels in the Second Category. The relevant expenses were the charterhire and ancillary liabilities, pro-rated for the period of use. The Xihe JMs also sought repair costs. However, I did not include

these costs as it was difficult to establish a link between the repair costs which ought to be borne by OTPL and the use of the vessels in the period of use.

The Third Category

65 The third category in Annex 1 related to vessels that the OTPL JMs used to store and transport cargo after applying for leave in interpleader proceedings ("the Third Category"). The period of use for this category was from May 2020 to late September/early October 2020. Similar to the vessels in the Second Category, the vessels in the Third Category were used to store and transport cargo before the Notices of Non-Adoption were issued, and this use continued after their issuance. The question then was whether such use attracted the application of the judicial management expenses principle (see [53] above).

66 I held that the use of the vessels in the Third Category did not attract the application of the judicial management expenses principle. In this case, the OTPL JMs needed to retain the vessels to hold on to their cargo while creditors resolved their competing claims in interpleader proceedings. In such circumstances, it could not be said that the vessels in the Third Category were retained for the benefit of the estate.

The Fourth Category

67 The fourth category related to "[v]essels which were deployed on sub-charters by the OTPL JMs" ("the Fourth Category"). These vessels were used at various times before and after the Notices of Non-Adoption, however, in some cases, such use was not continuous.

68 One vessel, the "Marine Priority" was deployed from May 2020 until October 2020. Thus, as noted above at [53], the judicial management expenses

principle would apply to the period of use after the Notice of Non-Adoption if being deployed on sub-charter attracted the application of the judicial management expenses principle in the first place.

69 Being deployed in sub-charter was clearly for the benefit of the estate, *ie*, it attracted the application of the judicial management expenses principle. Accordingly, I found that, for the period of use for the vessels in the Fourth Category, the same category of expenses (pro-rated accordingly) set out above at [64] were judicial management expenses.

70 However, as noted above, there were five vessels (the "Ocean Quest", the "Ocean Hero", the "Ocean Falcon", the "Ocean Premier" and the "Ocean Pitta") which stopped operating for months at a time before resuming operations. For these five vessels, the period of use would not include such periods of inactivity.

71 These vessels raised a further issue. They were originally used prior to the Notices of Non-Adoption. The deployment then ceased, before resuming *after* the Notices of Non-Adoption were issued. In the case of these vessels, whether the judicial management expenses principle applied to the period of use after the Notices of Non-Adoption were issued would depend on *why* deployment resumed. As noted above at [56], after the Notices of Non-Adoption were issued, the Xihe JMs had refused to take redelivery, causing the OTPL JMs to incur significant cashburn. If the OTPL JMs had resumed deployment of the five vessels to mitigate such cashburn, it could not be said that they had been used for the benefit of the estate, and thus the judicial management expenses principle would not apply.

The Fifth Category

72 The fifth category in Annex 1 pertained to "[v]essels deployed by [the OTPL JMs] for in-house services such as transportation of bunkers, provisions or crew from the shore/terminal to other vessels and additional 'in-port' services on an ad-hoc basis to OTPL's lube customers" ("the Fifth Category"). This category consisted of four vessels. Three of these vessels were used intermittently from May/June 2020 until August 2020. The remaining vessel, the "Ocean Solar", was used continuously from May 2020 until November 2020; accordingly, the judicial management expenses principle would apply to the period of use after the Notice of Non-Adoption was issued if the use of the "Ocean Solar" would attract its application.

73 I held that the usage of the vessels in the Fifth Category would attract the application of the judicial management expenses principle. Accordingly, the claims arising out of the vessels in the Fifth Category would be judicial management expenses, consisting of the same category of expenses (pro-rated accordingly) set out above at [64]. Logically speaking, this had to be correct. If the OTPL JMs had redelivered the vessels in the Fifth Category, they would have needed to secure other vessels in order to achieve the same purpose. In that case, they would have incurred expenses under post-insolvency contracts which would then enjoy priority as judicial management expenses.

74 As noted above, three of the vessels in the Fifth Category were not used continuously and there were periods of downtime. Notwithstanding, I found that the expenses incurred during the periods of downtime ought to be judicial management expenses. As noted above at [33], it did not matter that the vessels were not gainfully employed for the entire period of retention by the OTPL JMs. The fact remained that they were retained for a purpose regarded as being

beneficial to the estate. Having made the choice to retain the vessels for such a purpose, the estate had to bear expenses, even if the vessels were being gainfully used for only part of that period.

The Sixth Category

75 The final category in Annex 1 was classified as "Others" ("the Sixth Category"). The Sixth Category consisted of only one vessel, but it was unclear to what use this sole vessel was put. However, I left parties to use the guidance provided on the other categories to determine what the correct outcome should be on any vessel in this category.

Further clarifications based on an agreed Scotts Schedule

76 Based on the guidance I had provided, I invited parties to work towards agreeing on an order of court that would stipulate the following:

(a) the vessels to which the judicial management expenses principle applied; and

(b) with regard to each vessel, the period and category of expense which the judicial management expenses principle applied to.

I ordered that if they were unable to agree, they should notify the court of the areas of disagreement presented in the form of an agreed Scotts Schedule.

77 Parties wrote in on 8 October 2021 with the agreed Scotts Schedule which adopted the same categorisation as in Annex 1 and dealt with specific issues in each of the six categories. Parties raised an issue with regard to the First Category. However, as noted at [59] above, the vessels in the First Category were not the subject of SUM 2085, and thus I did not consider them.

The parties also did not have any dispute over the Second and Third Categories, and thus I did not consider them either.

78 As regards the Fourth Category, the parties raised a new issue in the Scotts Schedule. As noted above at [54], I had held that charterhire incurred after the Notices of Non-Adoption were not payable as a priority expense. It seemed that OTPL had already paid such charterhire prior to SUM 2085. The issue thus was whether and how such payments ought to be deducted or otherwise taken into account in calculating the amounts further payable by OTPL as a priority expense. This issue was not within the scope of SUM 2085; SUM 2085 was for directions on (a) whether the judicial management expenses principle applies to the relevant vessels; and (b) if so, for what periods and for what types of expense. I thus did not consider the issue raised by the parties.

79 As regards the Fifth Category, the parties raised an issue as to whether any charterhire was payable as a priority expense for the four vessels in this category.

80 With regard to the first three vessels in the Fifth Category (the "Marine Power", the "Marine Alliance" and the "Marine Protector"), the OTPL JMs took the position that these vessels were used to mitigate their operating expenses pending their redelivery following issuance of the Notices of Non-Adoption. However, they had earlier conceded that the judicial management expenses principle applied to these three vessels – having made the concession, I held that they were bound by it.

81 With regard to the fourth vessel in the Fifth Category, the "Ocean Solar", the OTPL JMs took the position that it was used to transport bunker to vessels which were pending redelivery following issuance of Notices of Non-Adoption.

They argued that as these vessels needed bunker, the only alternative was for them to sail into port one by one to receive bunker. Using the "Ocean Solar" to transport bunker to them was therefore more efficient and economical. As such, use of the "Ocean Solar" should not attract the judicial management expenses principle.

82 This submission was similar to their submission on the Second Category (see [62] above). In the same vein, it did not deal with the real question: whom did the responsibility to ensure that the vessels had sufficient bunker fall on? If the "Ocean Solar" had not been retained, these vessels would have had to sail to port to receive bunker or some other vessel would have to be engaged to transport bunker to them. In either case, the costs would have been borne by the estate, subject to the possibility of recovering the same from the vessel owners on the basis that they ought to have taken redelivery sooner. Seen this way, retaining the Ocean Solar to transport bunker would attract the judicial management expenses principle.

83 Finally, the Scotts Schedule raised an issue with regard to the Sixth Category. This was whether OTPL ought to reimburse the owner of the sole vessel in the Sixth Category for "leave pay" as a priority expense. The "leave pay" was defined as the vessel's crew members' salary in-lieu of leave which had accrued prior to the Disclaimer Order. "Leave pay", as defined, was not an issue within the scope of SUM 2085, and thus I declined to deal with it.

Conclusion

84 Thus, I held that the judicial management expenses principle generally did not apply to the claims arising out of the vessels that were the subject of SUM 2085. However, this was subject to the exceptions at [58] to [75] above,

as well as the clarifications made with regard to the issues in the Scotts Schedule.

85 As for costs, parties both submitted that they were the "successful" party on different bases.

(a) The OTPL JMs pointed out that the Xihe JMs' position was that US$149.33m of expenses ought to be treated as judicial management expenses, whilst the OTPL JMs were prepared to concede that US$17.37m of expenses were to be paid in priority. They then pointed out that, at most, only US$17.41m worth of expenses would be treated as priority expenses (applying the guidance I had given, and assuming that all the disagreements in the Scotts Schedule were resolved in favour of the Xihe JMs). On that basis, they argued that they were clearly the more successful party.

(b) The Xihe JMs argued that the OTPL JMs had substantially lost SUM 2085. They pointed out that I had found that some of the claims were judicial management expenses, and that I had rejected the Carve-Out proposed by the OTPL JMs. They also argued that the OTPL JMs had "unnecessarily or unreasonably protracted" the proceedings, leading to additional costs being incurred. In particular, they pointed out that the OTPL JMs had raised irrelevant issues in their affidavits, and had disclosed information to the court in a "piece-meal" manner leading to the protraction of the proceedings.

86 The arguments made by the Xihe JMs did not deal with the bigger picture. Whilst I did rule against the OTPL JMs on some minor points, it was clear that in the scheme of things, the OTPL JMs had been the more successful party. I thus ordered costs to be awarded to them.

87 Turning to quantum, the OTPL JMs took the position that they should be awarded a sum of S$102,500 for costs, and S$8,500 for disbursements.

88 As to costs, they had come to this figure by calculating the time costs incurred for SUM 2085. This was not an appropriate way to calculate costs, and I instead agreed with the Xihe JMs' general approach of having reference to Appendix G of the Supreme Court Practice Directions. The relevant tariff for complex applications fixed for special hearing with a duration of three hours is S$9,000 to S$22,000. This application required two rounds of hearings and substantial documents were filed in support. I thus awarded the OTPL JMs costs at the highest end of this scale, fixed at S$22,000.

89 As for disbursements, the OTPL JMs calculated their filing and commissioning fees to amount to S$7,430.30. In support, they attached a detailed breakdown of these disbursements. They further submitted that a "reasonable quantum" would be S$8,500, but did not explain how they came to this figure. Accordingly, I awarded the original sum of S$7,430.30 as disbursements.

Kannan Ramesh
Judge of the High Court

N Sreenivasan SC, Muralli Rajaram, Jonathan Lim and Claire Tan (K&L Gates Straits Law LLC) for the applicant;
Manoj Sandrasegara, Smitha Menon, Joel Chng, Clayton Chong and Kwong Kai Sheng (WongPartnership LLP) for the Judicial Managers of Xihe Holdings;
Alexander Yeo and Yeoh Tze Ning (Allen & Gledhill LLP) for Oversea-Chinese Banking Corporation Ltd (on watching brief);
Cumara Kamalacumar (Selvam LLC) for Korea Development Bank, Singapore Branch (on watching brief);
Lauren Tang (Virtus Law LLP) for Standard Chartered Bank, Standard Chartered Bank (Hong Kong) Limited, Standard Chartered Bank (Singapore) Limited (on watching brief);
Ang Kaili and Chan Yi Ching (Virtus Law LLP) for ING Bank N.V., Singapore Branch (on watching brief);
Alisa Toh Qian Wen (Allen & Gledhill LLP) for DVB Bank SE Singapore Branch (on watching brief);
Marc Malone (Allen & Gledhill LLP) for Credit Agricole Corporate and Investment Bank, Singapore Branch (on watching brief);
Jason Leong and Koa Hui Min (Shook Lin & Book LLP) for the Hongkong and Shanghai Banking Corporation Limited (on watching brief);
Poh Yee Shing (Shook Lin & Bok LLP) for CIMB Bank Berhad (on watching brief);
Justin Kwek (JWS Asia Law Corporation) for Societe Generale, Singapore Branch (on watching brief);
Angela Phoon (Oon & Bazul LLP) for creditors of Ocean Tankers Pte Ltd and Xihe Holdings Pte Ltd (on watching brief);
Lin Shih Chien and G Kiran, managing director of Cell Turbo Services Pte Ltd (on watching brief).

Annex 1: List of subsidiaries of Xihe Holdings

The following list consists of the 40 subsidiaries of Xihe Holdings that are relevant to SUM 2085, *ie*, they are the vessel owners:

(a) An Guang Shipping Pte Ltd (Judicial Managers Appointed);

(b) An He Shipping Pte. Ltd. (In Receivership);

(c) An Hua Shipping Pte. Ltd (In Receivership);

(d) An Kang Shipping Pte. Ltd. (In Receivership);

(e) An Sheng Shipping Pte. Ltd. (In Receivership);

(f) An Xing Shipping Pte. Ltd. (In Receivership);

(g) Da An Shipping (Pte) Ltd (in Members' Voluntary Liquidation);

(h) Da Guang Tankers (Pte) Ltd (Judicial Managers Appointed);

(i) Da Xin Tankers (Pte) Ltd (Judicial Managers Appointed);

(j) Da Zhong Tankers (Pte) Ltd (Judicial Managers Appointed);

(k) Dafa Shipping (Pte) Ltd (Judicial Managers Appointed);

(l) Dong Fang Shipping & Trading (Pte) Ltd (In Creditors' Voluntary Liquidation);

(m) Dong Jiang Tankers (Pte) Ltd (Judicial Managers Appointed);

(n) Dong Nan Tankers (Pte) Ltd (Judicial Managers Appointed);

(o) Dong Sheng Tankers (Pte) Ltd (Judicial Managers Appointed);

(p) Dong Ya Tankers (Pte) Ltd (Judicial Managers Appointed);

(q) Hua An Shipping Pte. Ltd (In Creditors' Voluntary Liquidation);

(r) Hua Guang Shipping Pte. Ltd (In Creditors' Voluntary Liquidation);

(s) Hua Kang Shipping Pte Ltd (In Creditors' Voluntary Liquidation);

(t) Hua Sheng Shipping Pte Ltd (Judicial Managers Appointed);

(u) Hua Xin Shipping Pte. Ltd (In Creditors' Voluntary Liquidation);

(v) Hua Zhong Shipping Pte Ltd (Judicial Managers Appointed);

(w) Nan Chiau Maritime (Pte) Ltd (Judicial Managers Appointed);

(x) Nan Chuan Maritime (Pte) Ltd (Judicial Managers Appointed);

(y) Nan Hai Maritime (Pte) Ltd (In Creditors' Voluntary Liquidation);

(z) Nan King Maritime (Pte) Ltd (Judicial Managers Appointed);

(aa) Nan Sia Maritime (Pte) Ltd (In Creditors' Voluntary Liquidation);

(bb) Nan Ya Maritime (Pte) Ltd (In Members' Voluntary Liquidation);

(cc) Nan Yi Maritime (Pte.) Ltd;

(dd) Nan Zhou Maritime (Pte) Ltd (Judicial Managers Appointed);

(ee) Xin An Shipping (Pte) Ltd (Judicial Managers Appointed);

(ff) Xin Bo Shipping (Pte) Ltd (Judicial Managers Appointed);

(gg) Xin Chun Shipping (Pte) Ltd (Judicial Managers Appointed);

(hh) Xin Dun Shipping (Pte) Ltd (Judicial Managers Appointed);

(ii) Xin Guang Shipping (Pte) Ltd (In Receivership);

(jj) Xin Hui Shipping (Pte) Ltd (Judicial Managers Appointed);

(kk) Xin Kang Shipping (Pte) Ltd (Judicial Managers Appointed);

(ll) Xin Sheng Shipping (Pte) Ltd (Judicial Managers Appointed);

(mm) Xin Ya Shipping & Trading (Pte) Ltd (In Creditors' Voluntary Liquidation); and

(nn) Xin Ying Shipping (Pte) Ltd (Judicial Managers Appointed).