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

[2024] SGHC 191

Companies Winding Up No 74 of 2023

Between

Kho Choon Keng

… Claimant

And

Lian Keng Enterprises Pte Ltd

… Defendant

And

(1) Kho Chuan Thye Patrick
(2) Kho Sunn Sunn Patricia

… Non-parties

JUDGMENT

[Insolvency Law — Winding up — Grounds for petition]
[Companies — Winding up — Just and equitable ground — Whether company is a quasi-partnership or akin to one]
[Companies — Winding up — Just and equitable ground — Breach of legitimate expectations]
[Companies — Winding up — Just and equitable ground — Loss of mutual trust and confidence — Whether loss of mutual trust and confidence was self-induced]
[Insolvency Law — Winding up — Effect of petition — Buyout order]

TABLE OF CONTENTS

BACKGROUND FACTS **1**

PARTIES 1

HISTORY OF LKE 5

JOO AND KIAN'S WINDING UP APPLICATION IN 2003 8

LKE POST 2005 BUYOUT 10

BREAKDOWN IN CK AND PATRICK'S RELATIONSHIP 10

PARTIES' CASES **13**

CK'S CASE 13

PATRICK AND PATRICIA'S CASE 15

WINDING UP FOR DIRECTORS' UNFAIR CONDUCT UNDER S 125(1)(*F*) IRDA **15**

JUST AND EQUITABLE WINDING UP UNDER S 125(1)(*I*) IRDA **16**

THE LAW 16

ISSUES TO BE DETERMINED 19

PRELIMINARY ISSUE 19

Whether "legitimate expectations" and "quasi-partnership" need to be specified in an affidavit supporting winding up *20*

Whether CK's affidavits are sufficient *21*

(1) LKE is akin to a quasi-partnership 21

(2) 1st LE 22

(3) 2nd LE 26

(4) 3rd LE 28

WHETHER LKE IS A QUASI-PARTNERSHIP OR AKIN TO ONE 29

The law *29*

Parties' cases *31*

My decision *32*

(1) CK's position in the 2003 CWU 34

(2) CK's evidence on the change in LKE's decision-making process 36

(3) LKE was akin to a quasi-partnership from 2005 to 2019 37

CK'S LEGITIMATE EXPECTATIONS 42

The law *42*

The 1st LE is established *44*

Modified version of the 2nd LE is established *48*

3rd LE is not established *49*

(1) The Statement of Wishes is of little assistance 49

(2) LKE did not have a consistent practice of declaring dividends 50

WHETHER CK'S LEGITIMATE EXPECTATIONS WERE BREACHED 54

ITS and the Southern Cross Board Meeting *54*

(1) Background 55

(A) The decision to refurbish ITS *55*

(B) Calling of the Southern Cross Board Meeting *57*

(C) Continued discussions after the Southern Cross Board Meeting *59*

(2) Whether there was a breach of the 1st and/or Modified 2nd LE 61

Declaration of dividends *65*

(1) The law 65

(2) Background 67

(3) Whether there was a breach of the 1st LE 69

(4) Whether there was a breach of the Modified 2nd LE 69

(A) Financial position to declare dividends *69*

(B) COVID-19 ..... *71*

(C) No specific reason for CK's request for dividends *72*

(D) CK's Arguments *74*

(E) Patrick and Patricia's failure to put forward an alternative amount *77*

The Growth Plan *80*

(1) Background 80

(2) Whether there was a breach of the Modified 2nd LE 82

The Tras Street acquisition *86*

(1) Background 86

(2) Whether there was a breach of the 1st LE 87

Whether there was a breakdown in mutual trust and confidence *88*

Loan to TJLH *89*

(1) Whether Patrick knew about the Anonymous Loan before 13 October 2020 90

(2) Whether Patrick was deliberately obstructive 91

(A) Patrick's list of questions sent on 22 October 2020 ..... *92*

(B) The A&G Opinion *94*

Whether the breakdown in mutual trust and confidence was self-induced *101*

CK and Patrick's current relationship *102*

CONCLUSION **103**

BUYOUT ORDER **105**

Kho Choon Keng
v
Lian Keng Enterprises Pte Ltd
(Kho Patrick and another, non-parties)

[2024] SGHC 191

General Division of the High Court — Companies Winding Up No 74 of 2023
Hri Kumar Nair J
4, 5, 8, 9, and 11 April, 24 May 2024

26 July 2024

Hri Kumar Nair J:

1 The trials and tribulations of family-run businesses are all too often litigated in our courts. It is usually the case that such enterprises fail, not because of financial circumstances, but the deterioration of relationships of the family members who run them. Familiarity, it seems, does breed contempt. The business in this case suffered the same fate.

Background facts

Parties

2 The defendant, Lian Keng Enterprises Pte Ltd ("LKE") was founded in 1980 by the late Mr Kho Beng Kang (the "Patriarch").[1] LKE is the ultimate

---

1 Kho Choon Keng's 1st Affidavit dated 19 April 2023 ("CK's 1st Affidavit") at para 4.

holding company of 59 other companies in the Lian Huat group of companies ("the Group") with investments and development projects in Singapore, Australia, and China.[2] In this action, the salient ones are:

(a) The Inn at Temple Street ("ITS"), a boutique 42-room hotel situated in Chinatown, Singapore.[3] ITS is owned by Southern Cross Hotels Pte Ltd ("Southern Cross"), which is wholly (and indirectly) owned by LKE.[4]

(b) A shophouse at 81 Tras Street ("Tras Street Shophouse"), owned by 81 Tras Pte Ltd, which is wholly (and indirectly) owned by LKE.[5]

(c) Several residential and retail units located in The Centro – a mixed-use development in Tianjin, China. These units are owned by Tianjin APH Development Co Ltd ("Tianjin APH"), which is wholly (and indirectly) owned by LKE.[6]

(d) An industrial project in the Beichen district of Tianjin, China ("Beichen Development"), which remains under construction.[7] LKE has invested around RMB80m in capital injections and loans.[8] The land for the Beichen Development is owned by Tianjin Lian Huat Eco-Park

---

2 Agreed Bundle of Documents dated 28 March 2024 Volume 5 of 5 ("5AB") at 5AB556.

3 CK's 1st Affidavit at para 6(f).

4 CK's 1st Affidavit at para 6(f).

5 CK's 1st Affidavit at para 6(g).

6 CK's 1st Affidavit at para 6(k).

7 CK's 1st Affidavit at para 6(j).

8 Agreed Bundle of Documents dated 28 March 2024 Volume 2 of 5 ("2AB") at 2AB444.

Development Co Pte Ltd ("TJLH"), in which LKE has an indirect 60% stake.[9]

(e) LKE's direct 64.51% stake in LionHub Group Limited ("LHB"), and its indirect 43.17% stake in Land & Homes Group Limited ("LHM") – both real estate development companies publicly listed on the Australian Securities Exchange ("ASX").[10]

3 The claimant, Kho Choon Keng ("CK") is the eldest son of the Patriarch.[11] CK was born to the Patriarch's second wife, Mdm Yap Kim Chee ("Mdm Yap"), and has two brothers, Kho Choon Joo ("Joo") and Kho Choon Kian ("Kian").[12] CK is applying to wind up LKE pursuant to s 125(1)(*f*) and s 125(1)(*i*) of the Insolvency, Restructuring and Dissolution Act 2018 ("IRDA").

4 The two non-parties opposing this action, Kho Chuan Thye Patrick ("Patrick") and Dr Kho Sunn Sunn Patricia ("Patricia"), are CK's step-siblings born to the Patriarch's third wife, Mdm Saw Gek Hua ("Mdm Saw").[13] Mdm Saw also has an adopted son, Philip Kho Chuan Kok ("Philip").[14]

5 For ease of reference, a diagram of the Kho family members (the "Kho Family") is set out below:

---

9 CK's 1st Affidavit at para 6(j).

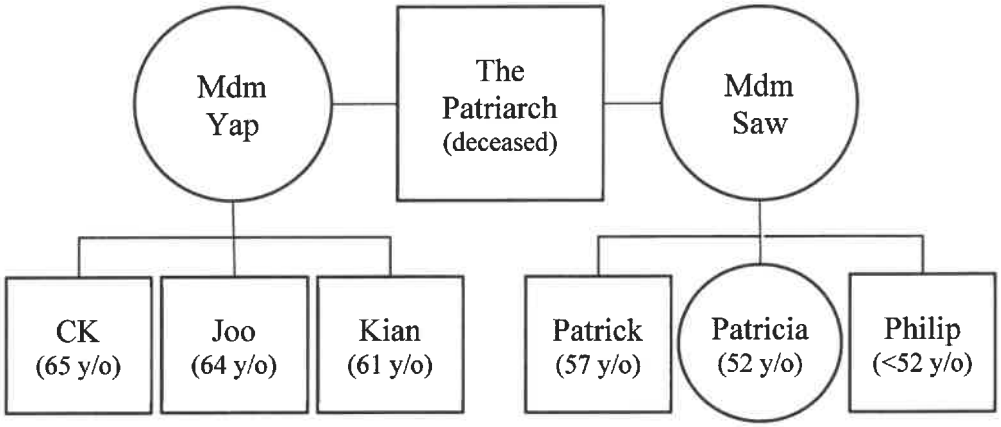
10 5AB556; 2AB445.

11 CK's 1st Affidavit at para 12; Kho Chuan Thye Patrick's 1st Affidavit dated 25 May 2023 ("Patrick's 1st Affidavit") at para 24.

12 CK's 1st Affidavit at para 12; Patrick's 1st Affidavit at para 24.

13 CK's 1st Affidavit at para 12; Patrick's 1st Affidavit at para 24.

14 CK's 1st Affidavit at para 12; Patrick's 1st Affidavit at para 24.



6 The current shareholding of LKE is:[15]

(a) CK – 49%;

(b) Patrick – 49.2% (Patrick bought Philip's 0.2% share in July 2022);[16]

(c) Patricia – 1%; and

(d) Mdm Saw – 0.8%.

7 The current board of LKE comprises CK, Patrick and Patricia. CK is the Executive Chairman and Patrick is an executive director of LKE. They are the only members of the family involved in the day-to-day management of the Group.[17] Patricia is a non-executive director and maintains an active medical practice in Singapore as an oncologist.[18]

---

15 Statement of Agreed Facts at para 15.

16 Statement of Agreed Facts at para 21.

17 CK's 1st Affidavit at para 10.

18 Kho Sunn Sunn Patricia's 1st Affidavit dated 25 May 2023 ("Patricia's 1st Affidavit") at paras 6–7.

History of LKE

8 The Patriarch built his wealth trading nutmeg, and later ventured into real estate investments. This led to the incorporation of LKE on 8 August 1980 to consolidate his investments.

9 When LKE was incorporated, the Patriarch and CK were the only shareholders and directors.[19] Presumably, this was because the Patriarch's other children were below the age of majority at that time.[20]

10 In 1981, the Patriarch allocated CK, Joo, Kian, and Patrick (the "Four Brothers") 22.5% of the shares in LKE each, with the Patriarch holding the remaining 10% stake.[21] According to CK, the Four Brothers held their shares "only in name"[22] – they always handed the dividends they received to the Patriarch and were made to sign blank share transfer forms by the Patriarch, so that their shares could be transferred whenever he wanted.[23]

11 It appears undisputed that the Patriarch exercised unquestioned control over LKE until he passed away in 1996.[24] In 1995, after he was diagnosed with cancer, the Patriarch penned a handwritten note in Mandarin to the Four

---

19 CK's 1st Affidavit at paras 10 and 16.

20 Joo was born in 1960, and would have been 20 years old; Kian was born in 1963, and would have been 17 years old; Patrick was born in 1967 and would have been 13 years old; and Patricia was born in 1971 and would have been 8 years old: CK's 1st Affidavit at para 12.

21 Statement of Agreed Facts at para 8.

22 CK's 1st Affidavit at para 17.

23 CK's 1st Affidavit at para 17.

24 Statement of Agreed Facts at para 11.

Brothers ("Statement of Wishes").[25] The relevant portions of the English translation of the Statement of Wishes (the accuracy of which parties did not dispute) state:[26]

> Dear [CK, Joo, Kian, and Patrick] 3/1/1995
>
> I have struggled, gone through a lot of tough days and fought my way to build this business foundation for you that you see today. I hope you will cherish this foundation, this is a blessing for your generation. I should not be worrying about this plan because my days are numbered. I will not be knowing anything very soon. [illegible] I realized that you are operating the business without a plan and lacking the ability to make major decisions, therefore, I am worried that you are not able to protect the business empire. Therefore, I am giving you my last words and hope that you will follow my lifelong motto to run the business in a firm and steady manner, carry out the plans step-by-step, do not venture into any high-risk business without any thorough consideration. With that, the group of companies will surely prosper and have a bright future.
>
> 1. All of you should co-operate with one another more closely, tolerate one another and regard one another with sincerity.
>
> 2. You should organise yourselves into teams for internal control. You should assume roles in company according to your own ability. Whoever has more experience in operating the business can be appointed to take care of the major responsibility. In the event of any mistakes in management, another person shall be appointed to co-manage the company.
>
> ...
>
> 5. [Patrick] should be in charge of the financial affairs in Singapore and other job scopes that he is capable of. He shall also assume the role of manager. [Kian] shall hold

---

25 Agreed Bundle of Documents dated 28 March 2024 ("AB") Volume 1 of 5 ("1AB") at 1AB43–1AB44.

26 1AB45–1AB46.

> the position of Vice Chairman of the Board in Singapore simultaneously.
>
> 6. For the investment company in Sydney, [CK] shall assume the role of Chairman, [Kian] as the Managing Director, and [Patrick] shall take care of the financial affairs.
>
> 7. [CK] shall assume the role of Chairman for the Singapore group of companies. At the same time, he shall be in charge of all matters relating to the business in China.
>
> ...
>
> 10. To all of you, my only hope is to be able to protect the 'empire'; not for you to show your filial piety towards me. I have gone through up and down in my whole life, persevering through all hardships towards others. Likewise, the purpose of mutual endurance, I expect all of you can do the same. Please understand that the happiness is yours to enjoy, not mine; but it will bring me comfort.

12 Following the Patriarch's demise, his 10% stake in LKE was distributed according to his will as follows: (a) 1.8% each to the Four Brothers; (b) 1% to Patricia; (c) 0.8% each to Mdm Yap and Mdm Saw; and (d) 0.2% to Philip.[27] This brought the shareholdings of the Kho family members as follows:

(a) Mdm Yap and her children – 73.7%:

  (i) Mdm Yap – 0.8%;

  (ii) CK – 24.3%;

  (iii) Joo – 24.3%;

  (iv) Kian – 24.3%; and

(b) Mdm Saw and her children – 26.3%:

---

[27] 1AB53–1AB54 at paras 21–23.

(i) Mdm Saw – 0.8%;

(ii) Patrick – 24.3%;

(iii) Patricia – 1%; and

(iv) Philip – 0.2%.

13 Although the Patriarch did not assign any role in the Group to Joo in the Statement of Wishes, it was nonetheless addressed to Joo as well and, shortly after the Patriarch's passing, the Four Brothers collectively decided that all of them would be directors of LKE.[28]

Joo and Kian's winding up application in 2003

14 From 1996 to mid-2001, the Four Brothers managed the Group harmoniously. Their first major disagreement was in mid-2001 when they could not agree on whether one of LKE's subsidiaries, Kengfu Investments II Pte Ltd, should proceed with a project in Tianjin, China. The Four Brothers were at a deadlock – Joo and Kian were against the project, with CK and Patrick in favour of it.[29]

15 CK broke the deadlock by exercising his "casting vote",[30] under Art 82 of LKE's Memorandum and Articles of Association ("LKE's M&A") as the Chairman of LKE.[31]

---

28 1AB54 at para 25; 1AB97 at para 60; CK's 1st Affidavit at para 25.

29 1AB57, at para 39.

30 1AB57–1AB58 at para 40.

31 1AB36.

16 This was the catalyst for numerous other disagreements and eventually led to Joo and Kian filing a winding up petition against LKE in HC/CWU 290/2003 ("2003 CWU") on 21 November 2003.[32] Around this period, CK again used his casting vote to appoint one Koh Kim Huat ("Koh"), who was not related to the family, and Patricia to LKE's board of directors on 11 April 2003 and 8 September 2004 respectively.[33]

17 The Four Brothers settled their dispute in 2005, with CK and Patrick buying Joo, Kian, and Mdm Yap's shares in LKE ("2005 Buyout"). This resulted in CK and Patrick each holding 49% shares in LKE.[34] The shareholding in LKE at this stage was therefore:

(a) CK – 49%;

(b) Mdm Saw and her children – 51%:

(i) Mdm Saw – 0.8%;

(ii) Patrick – 49%;

(iii) Patricia – 1%; and

(iv) Philip – 0.2%.

18 Joo and Kian resigned as directors of LKE in 2005,[35] and the LKE board (then) comprised CK, Patrick, Koh, and Patricia.

---

32 1AB48–1AB72.

33 Statement of Agreed Facts at paras 13–14; 1AB65 at para 76; 1AB69 at para 100.

34 Statement of Agreed Facts at para 15.

35 Statement of Agreed Facts at para 16.

LKE post 2005 Buyout

19 To finance the 2005 Buyout, CK and Patrick took huge loans from LKE of about S$16m.[36] These loans were later repaid when set off against dividends payable to CK and Patrick in 2008 and 2009.[37]

20 LKE's shareholding remained unchanged from 2005 till July 2022, when Patrick purchased Philip's 0.2% share in LKE.[38] Patricia resigned as a director of LKE in 2009 but was re-appointed in 2012,[39] while Koh resigned in 2015.[40] From July 2015, the board of LKE comprised CK, Patrick, and Patricia – and this remains the case today.

21 I delve into some detail the manner CK and Patrick managed LKE and the Group after the 2005 Buyout at [85]–[94] below. For now, it suffices to say that their relationship during that period was stable and their management of LKE and the Group was characterised by consensus and compromise.

Breakdown in CK and Patrick's relationship

22 In the years leading up to 2018, Patrick became increasingly vocal about his views on the Group.[41] He told CK that "with [his] age catching up, [he has] to look after the interests of [his] family and therefore cannot continue to

---

36 1AB214; 1AB341; 1AB394; Transcript dated 8 April 2024 ("8 April 2024 Transcript") at pp 105–106.

37 1AB394; 8 April 2024 Transcript at pp 105–106.

38 Statement of Agreed Facts at para 21.

39 Statement of Agreed Facts at paras 17–18.

40 Statement of Agreed Facts at para 19.

41 CK's 1st Affidavit at para 33; 8 April Transcript at p 76, lines 10–17.

accommodate [CK] blindly".[42] During this lead-up period, the matters on which Patrick disagreed with CK included the following:

(a) Patrick wanted to sell the land in the Beichen Development, which CK opposed;[43]

(b) Patrick wanted to refurbish ITS, but no agreement was reached, and this issue became one of CK's complaints in this action (see [123]–[175] below);[44]

(c) Patrick wanted to "immediately sell" the 34 residential units and one retail unit in The Centro,[45] but CK only wanted to do so when the "price was right";[46] and

(d) CK wanted to make further capital injections into LHM, which Patrick did not agree to.[47]

23 This came to a head on 25 June 2018 when CK sent an email to Patrick setting out their differences and alluding to an amicable split ("CK's 25 June 2018 Email"):[48]

---

42 Agreed Bundle of Documents dated 28 March 2024 Volume 2 of 5 ("2AB") at 2AB451.

43 CK's 1st Affidavit at para 34; 2AB444 at para 1.

44 CK's 1st Affidavit at para 36(b); 2AB444 at para 5.

45 2AB444 at para 2.

46 CK's 1st Affidavit at para 35.

47 2AB445; Agreed Bundle of Documents dated 28 March 2024 Volume 3 of 5 ("3AB") 3AB222 at para (c)(ii).

48 2AB453.

> [Patrick],
>
> It's now apparent that we have rather different business vision, strategy and management styles which makes our partnership in [LHB] unsustainable continuing this way.
>
> I also disagree with your management approach as suggested in your recent emails.
>
> I would like to suggest that we both give some thoughts to find an amicable, productive and mutually beneficial solution/ways to resolve the matter.
>
> Thanks!
>
> Best regards,
>
> CK

24 Upon clarification sought by Patrick,[49] CK made his intention for a split clear on 2 July 2018 when he said:[50]

> ... after some serious thoughts, I would suggest we split the business based on our shareholdings or liquidate the group and distribute the assets in species unless you have other proposals.

25 Patrick was non-committal in his response:[51]

> I feel that it is important that we find a way to move forward that ensures the Group is managed in the best possible way and in the best interest of all the shareholders. I do not believe that what I have done so far would result in the Group or any of its companies being incapable of being managed effectively. Indeed, I have generally accommodated your style of management as far as reasonably possible.
>
> ...
>
> If you have any specific proposals that you think I should agree to, I would be grateful if you could let me know, specifically,

---

49 2AB451.

50 2AB449–2AB450.

51 2AB447–2AB448.

> what they are. I would be happy to go along with any reasonable proposal that is in the best interests of the Group.

26 There was no further communication on this issue. What followed was a series of other disputes, which I deal with in detail below.

Parties' cases

CK's case

27 CK submits that LKE is akin to a quasi-partnership, where it is important for CK and Patrick to work together with mutual trust and confidence, which has broken down.[52] CK also argues that he had the following legitimate expectations ("the LEs"):

(a) CK and Patrick would make decisions in LKE collectively and resolve business disagreements through informal discussions between themselves, without involving the other directors or resorting to formal Board meetings ("1st LE");[53]

(b) CK would have a key role in management and his views would be considered and/or properly considered ("2nd LE");[54] and

(c) consistent with LKE's primary objective to declare dividends as a source of income for the members of the Kho family, dividends would be declared at CK's request ("3rd LE").[55]

---

52 Claimant's Closing Submissions dated 2 May 2024 ("CK's Closing Subs") at paras 18–37.

53 CK's Closing Subs at paras 28 and 51–52.

54 CK's Closing Subs at paras 53–58.

55 CK's Closing Subs at paras 59–61.

28 CK claims these LEs were breached because:

(a) for the first time in 14 years, Patrick called for a formal board meeting in 2019 to use Patricia's vote to push through his decision to refurbish ITS;[56] and

(b) CK's views were not considered and/or properly considered on the following matters:

(i) the decision to refurbish ITS;[57]

(ii) the failure to declare dividends for the financial years 2020 and 2021;[58] and

(iii) Patrick's proposed five-year growth plan for LKE ("Growth Plan") which Patrick and Patricia voted in favour of on 12 July 2021, which included a proposal to purchase the Tras Street Property.[59]

29 CK also relies on Patrick's allegedly confrontational conduct in relation to a loan CK took for the benefit of TJLH as further evidence of the breakdown in mutual trust and confidence between them.[60]

---

56 CK's Closing Subs at paras 62–72.

57 CK's Closing Subs at paras 74–93.

58 CK's Closing Subs at paras 94–111.

59 CK's Closing Subs at paras 112–121.

60 CK's Closing Subs at paras 123–139.

30 Finally, the current state of CK and Patrick's relationship is fractured and beyond repair – further evincing the breakdown in mutual trust and confidence.[61]

Patrick and Patricia's case

31 Patrick and Patricia essentially refute CK's claims at every level, and I will elaborate on their arguments under each issue.

32 On CK's application, I ordered the parties to be cross-examined on their affidavits. The evidence referred to below is from their affidavits and oral testimonies.

Winding up for directors' unfair conduct under s 125(1)(*f*) IRDA

33 Section 125(1)(*f*) IRDA provides that the court may wind up a company if the directors have acted:

> (a) in the affairs of the company in their own interests rather than in the interests of the members as a whole; or
>
> (b) in any other manner which appears to be unfair or unjust to other members.

34 As will be evident from the discussion below, the first limb of s 125(1)(*f*) is not applicable. There is no evidence that Patrick and Patricia had preferred their own personal interests over those of the shareholders as a whole in any of the complaints raised by CK.

---

61 CK's Closing Subs at paras 144–146.

35 The term "unfair and unjust" in the second limb of s 125(1)(*f*) connotes some commercial morality or integrity which the law ought to uphold, on a consideration of all the circumstances (*Re HL Sensecurity Pte Ltd (formerly known as HL Integral Systems Pte Ltd)* [2006] SGHC 135 at [28]). It overlaps with the just and equitable ground under s 125(1)(*i*) IRDA, and the two are often raised in the alternative (*Phua Kiah Mai v The Kheng Chiu Tin Hou Kong and Burial Ground* [2022] SGHC 36 ("*Phua Kiah Mai*") at [9] and [52]).

36 Given the overlap, I will focus in this decision on s 125(1)(*i*), which is broader in scope and, in any event, the main ground CK relies on.

Just and equitable winding up under s 125(1)(*i*) IRDA

The law

37 Section 125(1)(*i*) IRDA provides that the court may order the winding up of a company "if it is of the opinion that it is just and equitable" to do so. The notion of unfairness lies at the heart of the court's jurisdiction under this ground – in this regard, unfairness is construed broadly and "can arise in different situations and from different kinds of conduct in different circumstances" (*Sim Yong Kim v Evenstar Investments Pte Ltd* [2006] 3 SLR(R) 827 ("*Evenstar*") at [31]; see also *Perennial (Capitol) Pte Ltd and another v Capitol Investment Holdings Pte Ltd and other appeals* [2018] 1 SLR 763 ("*Perennial*") at [40]).

38 The words "just and equitable" are "words of the widest significance, and do not limit the jurisdiction of the Court to any case" (*Chow Kwok Chuen v Chow Kwok Chi and another* [2008] 4 SLR(R) 362 ("*Chow Kwok Chuen*") at [14]). Caselaw has developed categories of cases which justify winding up under this ground, including:

(a) where there has been a breach of a members' legitimate expectations (*Evenstar* at [40]–[45]); and

(b) where there is a breakdown in the relationship of mutual trust and confidence between the members of the company (*Ma Wai Fong Kathryn v Trillion Investment Pte Ltd and others and another appeal* [2019] 1 SLR 1046 ("*Kathryn Ma*") at [28]).

39 These two categories are distinct grounds – each capable of independently invoking the just and equitable ground. For instance, in *Evenstar*, the Court of Appeal found that there was no breakdown in mutual trust and confidence (at [16]), but nonetheless wound the company up on the basis of a breach of the applicant's legitimate expectations (at [42]–[45]). Nonetheless, they may overlap to the extent that a breach of legitimate expectations may, in some cases, also demonstrate or lead to a breakdown in mutual trust and confidence.

40 These two categories are predicated on the existence of a quasi-partnership, or a relationship that is akin to one (see *Seah Chee Wan and another v Connectus Group Pte Ltd* [2019] SGHC 228 at [115]; *Kathryn Ma* at [28]–[29]). This is because the establishment of a quasi-partnership is what allows the court to look past the strict legal rights of the parties and impose equitable constraints on them (*Ting Shwu Ping v Scanone Pte Ltd* [2017] 1 SLR 95 ("*Ting Shwu Ping*") at [85] and [91]):

> 85 ... [W]hile legal rights and expectations are usually enshrined in the company's constitution in the majority of cases, a special class of quasi-partnership companies form an exception to this rule. The finding of a quasi-partnership allows the court to take into account informal understandings and

> assumptions in determining whether the minority shareholders have been unfairly treated.
>
> 91 ... When dealing with a quasi-partnership, the court applies an extended measure of unfairness which takes into account otherwise unenforceable expectations which arise from the members' personal relationship of mutual confidence rather than from the company's constitution.

41 In a similar vein, the Court of Appeal has highlighted that "[m]ajority shareholders in quasi-partnership companies ... are expected to keep their promises and assurances to minority shareholders. They are expected to take a broader and more generous view of their obligations having regard to what is fair to minority shareholders" (*Evenstar* at [45]; see also *Ebrahimi v Westbourne Galleries Ltd* [1973] AC 360 ("*Ebrahimi*") at 379–380).

42 In *Chow Kwok Chuen,* the Court of Appeal clarified that there was no strict need to establish a quasi-partnership. Instead, the key question is whether there existed a relationship of mutual trust and confidence between the shareholders such that "their absence is as critical as in a quasi-partnership", and "[u]ltimately, whether equity should intervene in such a situation must necessarily depend on the justice of the case" (at [31]).

43 To demonstrate a breakdown in mutual trust and confidence, it is not enough to merely show that the parties did not see eye to eye on certain commercial decisions (*Chow Kwok Chuen* at [19]). It follows that the mere fact that a minority has been outvoted does not necessarily evidence a breakdown in mutual trust and confidence. On the other hand, there is no need to establish wrongdoing or oppressive or unfairly discriminatory conduct to invoke the courts' just and equitable jurisdiction (*Chow Kwok Chuen* at [44]).

Issues to be determined

44 Accordingly, the following key issues arise for determination:

(a) whether LKE is akin to a quasi-partnership; and

(b) whether there has been a: (i) breach of CK's legitimate expectations in the conduct of LKE's business; and/or (ii) breakdown in the relationship of mutual trust and confidence between CK and Patrick; such as to justify the winding up of LKE.

Preliminary issue

45 Patrick submits that it is "impermissible" for CK to rely on his claim that LKE is a quasi-partnership and that he had the LEs, as these go beyond his case in his 1st Affidavit filed in support of this action.[62] Patrick relies on *Re Tourmaline Ltd* [2000] 4 HKC 348 to argue that a winding up petition must precisely outline the matters complained of by the petitioner. The court is confined to the allegations in the petition, and the petitioner cannot expand his case by introducing the concepts of "quasi-partnership" and "legitimate expectations" without first amending the petition.

46 In response, CK points out that an affidavit in support of a winding up application only needs to state relevant facts and not the legal consequences following from those facts.[63] CK argues that his affidavits and oral testimony contain the relevant facts to support the LEs, and there is no need for him to

---

62 1st Non-party (Mr Patrick Kho)'s Closing Submissions dated 16 May 2024 ("Patrick's Closing Subs") at paras 12–18.

63 Claimant's Reply Submissions dated 24 May 2024 ("CK's Reply Subs") at para 1.

explicitly frame and use the words "legitimate expectation" which is a legal doctrine developed from case law.[64]

Whether "legitimate expectations" and "quasi-partnership" need to be specified in an affidavit supporting winding up

47 Until 1 April 2006, a winding up application was made by way of a petition containing both the relief sought and all the supporting facts (r 22 read with Forms 2 and 3 in the First Schedule of the Companies (Winding Up) Rules (Cap 50, R 1, 1990 Rev Ed) ("Winding Up Rules 1990")). An affidavit was filed only to verify that the contents of the petition were true (r 26 read with Form 7 in the First Schedule of the Winding Up Rules 1990). In that context, it is trite that a petition must set out with precision and sufficient particulars the matters complained of or relied on by the petitioner, and the court will not travel beyond the allegations contained in the petition in adjudicating the matter (*Re Fildes Bros Ltd* [1970] 1 WLR 592 at 597G-598C). It follows that a sufficient case must be contained in the petition and defects or omissions in the petition cannot be cured by affidavits (see *Re Wear Engine Works Co* (1875) 10 Ch App 188 at 191).

48 A winding up application is now initiated by an Originating Application ("OA") and supported by affidavits (rr 8(1)(*b*) and 18 of the Insolvency, Restructuring and Dissolution (Corporate Insolvency and Restructuring) Rules 2020). The OA does not contain any particulars beyond the grounds on which winding up is sought, and all facts and matters in support of the application must therefore be contained in the supporting affidavits. The applicant cannot depart from the case as set out in his affidavit(s). However, unlike a petition, an affidavit should only contain the factual evidence of the deponent, and should

---

64 CK's Reply Subs at paras 2–10.

not include, and indeed must avoid, legal arguments and legalese (*JG8 LLC v QUWU Trading Ltd and another* [2023] HKCU 4473 at [37]). In this regard, an affidavit only needs to state the *relevant facts*, and not the *legal consequences* which flow from them (*Callite Pty Ltd v Adams* [2001] NSWSC 52 at [12]; *Hopetoun Kembla Investments Pty Ltd v JPR Legal Pty Ltd* (2011) 286 ALR 768 at [72]). Further, the courts are more concerned with the *substance* of the allegations in the affidavit and not its *form*. In the circumstances, the applicant need not use legal words or phrases such as "legitimate expectations" or "quasi-partnership' in his supporting affidavit – that is a matter for submission – but need only set out the facts on which those submissions may be advanced. As Patrick himself recognises in his closing submissions,[65] the overarching concern is that the respondent should know, in time to prepare their case, the substantive allegations he must meet (see *In Re Fildes Bros Ltd* [1970] 1 WLR 592 at 598).

49 The key question therefore is whether CK has sufficiently set out the factual allegations which underpin his claim that LKE is a quasi-partnership and that he had the LEs.

Whether CK's affidavits are sufficient

(1) LKE is akin to a quasi-partnership

50 As I will elaborate below at [66]–[70], the hallmark of a company that is akin to a quasi-partnership is the existence of a relationship of mutual trust and confidence. This was a central theme in CK's affidavits in support of winding up.[66] It is not necessary for CK to specifically use the term "quasi-partnership" in his supporting affidavits – that is a legal term of art that can be

---

65 Patrick's Closing Subs at para 12.

66 CK's 1st Affidavit at paras 25, 27, 29, 31, 46, and 47; CK's 3rd Affidavit at paras 6, 9, 12, 20, and 24.

addressed in submissions. It suffices that the substantive allegations underlying the existence of a relationship of trust and confidence were brought to the attention of Patrick and Patricia, in time for them to prepare their case and meet those allegations.

51 That these allegations were brought to Patrick's attention is evident from his 1st Affidavit, where he explicitly refutes CK's claim on the existence of a relationship of trust and confidence:[67]

> I do not accept CK's claims that LKE and the Group is a "family business" set up to preserve and perpetuate our "family legacy", that he and I agreed that we would trust and cooperate with each other and our mutual trust and confidence was fundamental to our working relationship and that he and I have a "partnership" in LKE and the Group.

To put matters beyond doubt, Patrick then attempted to argue that LKE was no different from an ordinary private limited company,[68] and referred to CK's position in the 2003 CWU to make good his point.[69]

(2) 1st LE

52 The 1st LE as framed in CK's Closing Submissions is:[70]

> CK had a legitimate expectation that he and Patrick would make business decisions in LKE collectively through informal discussions, and that matters of disagreements be resolved between themselves instead of being put to a vote at the Board,

---

67 Patrick's 1st Affidavit at para 19.

68 Patrick's 1st Affidavit at paras 20–21.

69 Patrick's 1st Affidavit at paras 22–30.

70 CK's Closing Submissions at para 51.

> as was the *practice* over a long period of 14 years after the 2005 Buyout.
>
> [emphasis in original]

53 In my view, this was sufficiently set out in CK's affidavits. In his 1st affidavit in support of winding up ("CK's 1st Affidavit"), CK stated:[71]

> 41. After disagreements and differences arose between Patrick and I, in late October 2019, Patrick started calling for formal board meetings. This was a *departure from the informal discussions* on the Group's operations and affairs after Patrick and I became the two main shareholders of LKE in 2005. *Prior to October 2019, Patrick and I never held board meetings and we always discussed matters relating to LKE and the Group informally over emails and conversations.*
>
> [emphasis added]

The fact that CK was complaining about a "departure" from informal discussions between himself and Patrick makes clear his position that there was an understanding or expectation that this arrangement would persist. Indeed, CK explicitly mentions in his 1st Affidavit that the current state of board meetings – where he is being invariably outvoted by Patricia and Patrick – "was not what … Patrick and [him] had agreed upon".[72]

54 Patrick had the chance to, and did in fact, address these allegations in his 1st affidavit:[73]

> 39. At paragraphs 41 to 46 of CK's 1st Affidavit, he has described how I started calling for formal board meetings in late October 2019, how disagreements between CK and me were put to a vote at board meetings and how we communicate over

---

71 CK's 1st Affidavit at para 41.

72 CK's 1st Affidavit at para 45.

73 Patrick's 1st Affidavitat paras 39–40.

> emails and put forth our respective positions on email correspondence.
>
> 40. I do not accept that these matters justify a winding up of LKE. Formal board meetings, voting on matters at board meetings and email communications are routine occurrences in companies. There can also be no suggestion, and CK has not suggested, that LKE's board meetings or decisions have been conducted or made in breach of LKE's Articles of Association.

55 In his reply affidavit, CK again says:[74]

> 38. I would reiterate that Patrick also accepts that he only started calling for formal board meetings in late October 2019 ... This would mean that for the 14-year period from 2005 ... to October 2019, Patrick and I were managing LKE and the Group *without any formal board meetings*. This would only be possible on the basis of our mutual trust and confidence.
>
> 39. Prior to October 2019, *business meetings were discussed informally between Patrick and I* through emails and Whatsapp conversations. ...
>
> 40. Prior to October 2019, *no formal board meetings* were ever called or held. Patrick and I would discuss matters informally, at meetings or over emails and Whatsapp communications. *Patricia would not be involved in these discussions.*
>
> [emphasis added]

56 CK may not have specifically used the legal term "legitimate expectation" in his affidavits, but that is not necessary as a matter of law, nor was its absence prejudicial to Patrick and Patricia. CK's affidavits sufficiently alleged the understanding he had with Patrick – that they would discuss matters informally without resorting to formal board meetings where Patricia would be involved. That Patrick was aware of the case he had to meet is evident from his counsel's vigorous cross-examination of CK on these issues. Indeed, on the first

---

74 Reply Affidavit of Kho Choon Keng dated 3 August 2023 ("CK's 3rd Affidavit") at paras 38–40.

day of CK's cross-examination, Patrick's counsel sought to establish that: (a) there was nothing wrong with calling a board meeting;[75] (b) the fact that no board meetings were called between 2005 to 2019 did not mean that such a right had disappeared;[76] and (c) since CK did not object to Patricia's appointment as a director, he had no basis to complain about being outvoted at board meetings.[77]

57 Further, this departure from the prior way that CK and Patrick managed the business came out consistently during the hearing. In CK's cross-examination by Patrick's counsel, he responded to the suggestion that he started creating disagreements after 8 November 2019 by saying:[78]

> No, I disagree. I think it has been a deviation of how we managed the business since 2005 till 20[1]9. There was a change. And we used to have informal discussions, consultations, via email, via WhatsApp, via discussions, without the involvement of Patricia. And in 2019, some 2018 emails suddenly there is the appearance of Patricia.

Similarly, CK engaged in the following exchange during his cross-examination by Patricia's counsel:[79]

> Q: [Patricia] was not involved in the discussions between you and Patrick on most of the management matters,

---

75 Transcript dated 4 April 2024 ("4 April 2024 Transcript") at p 32, lines 24–25.

76 4 April 2024 Transcript at p 33, lines 5–9.

77 4 April 2024 Transcript at pp 34–36.

78 Transcript dated 5 April 2024 ("5 April 2024 Transcript") at p 108, lines 18–24.

79 5 April 2024 Transcript at p 128, lines 18–23.

> whether at the LKE level or the subsidiary level for many years, yes?
>
> A: Not for many -- basically, never until the board meeting in November 2019.

Notably, CK's evidence of the lack of Patricia's involvement in the management of LKE and its subsidiaries from 2005 to 2019 was unchallenged.

58 CK's counsel similarly put to Patrick that he did not call any board meetings from 2005 to 2019 "because CK and [him] have always made business decisions through discussions and Patricia's vote was not intended to be the swing vote".[80] All of this demonstrates how Patrick and Patricia were fully apprised of the factual basis of the 1st LE throughout the proceedings, and cannot claim to have been taken by surprise by it.

(3) 2nd LE

59 The 2nd LE as framed in CK's Closing Submissions is:[81]

> CK also had a legitimate expectation that he would have a key role in management and his views would be considered and/or properly considered.

60 This LE was also, in my view, sufficiently brought to Patrick and Patricia's notice such that they were aware of the case they had to meet. CK's 1st Affidavit stated:[82]

---

80 8 April 2024 Transcript at p 80, lines 17–19.

81 CK's Closing Submissions at para 53.

82 CK's 1st Affidavit at paras 22, 25, and 45.

> 22. It was clear that our late father wanted me to take the lead in the management of LKE and the Group...
>
> ...
>
> 25. ... in accordance with our late father's longtime plan and wishes, I took over the management of LKE and the Group as Executive Chairman.
>
> ...
>
> 45. ... LKE and the Group was set up as a family business, where family members would hear each other's views and opinions, discuss business matters constructively and work together for the benefit of the Group and the family. I was to be the Executive Chairman of LKE and the Group to lead the management of the Group...

61 Patrick responded to the same in his 1st Affidavit:[83]

> 32. ... I have always considered and will continue to consider CK's views carefully. That fact that I have disagreed with him on occasion does not mean I did not or do not consider his views.
>
> ...
>
> 98. The fact that Patricia and I did not agree with CK's views does not mean that we did not properly consider his views. Patricia and I heard and considered and will continue to consider CK's views. But as directors we were duty bound to come to our own view of the matter having regard to what we honestly believed was in the company's best interests.

62 At the hearing, Patrick and Patricia's counsel spent substantial time exploring each business disagreement to show that CK's views were properly considered.[84]

---

83 Patrick's 1st Affidavit at para 32 and 98.

84 4 April 2024 Transcript at pp 86, 87, 147, 148, 152, 185.

(4) 3rd LE

63 Finally, CK framed the 3rd LE in the following terms:[85]

> Consistent with LKE's primary objective to declare dividends as a source of income for the Kho family, CK had a legitimate expectation that dividends would be declared at his request.

64 CK's 1st Affidavit expressly refers to such an understanding:[86]

> Consistent with LKE's objective of providing financially for the Kho family, the practice between Patrick and I throughout the years had been to ask for declaration of dividends when either of us had financial needs: ...

CK goes on to list examples from the past where LKE declared dividends upon either Patrick's or CK's request.[87]

65 Patrick was aware of and did meet this case. In his response, Patrick explicitly refuted CK's claim that the declaration of dividends was always an "objective" of LKE or that the two of them had a "practice" of asking for dividends when either of them had financial needs.[88] Patrick went on to explain that the decision to declare dividends had always been considered in light of market conditions, the Group's performance, and the Group's needs.[89]

---

85 CK's Closing Subs at p 25.

86 CK's 1st Affidavit at para 51.

87 CK's 1st Affidavit at para 51.

88 Patrick's 1st Affidavit at para 86.

89 Patrick's 1st Affidavit at paras 87–90.

Whether LKE is a quasi-partnership or akin to one

The law

66 The seminal exposition of what constitutes a quasi-partnership is set out by Lord Wilberforce in *Ebrahimi* at 379–380, partially cited in *Perennial* at [41]:

> It would be impossible, and wholly undesirable, to define the circumstances in which these considerations may arise. Certainly, the fact that a company is a small one, or a private company, is not enough ... The superimposition of equitable considerations requires something more, which typically may include one, or probably more, of the following elements: (i) an association formed or continued on the basis of a personal relationship involving mutual confidence – this element will often be found where a pre-existing partnership has been converted into a limited company; (ii) an agreement, or understanding, that all, or some (for there may be 'sleeping partners') of the shareholders shall participate in the conduct of the business; (iii) restriction upon the transfer of the members' interest in the company – so that if confidence is lost, or one member is removed from management, he cannot take out his stake and go elsewhere.
>
> It is these, and analogous factors, which may bring into play the just and equitable clause, and they do so directly, through the force of the words themselves. To refer, as so many of the cases do, to "quasi-partnership" or "in substance partnerships" may be convenient but may also be confusing. It may be convenient because it is the law of partnership which has developed the conceptions of probity, good faith and mutual confidence, and the remedies where these are absent, which become relevant once such factors as I have mentioned are found to exist: the words "just and equitable" sums these up in the law of partnership itself. And in many, but not necessarily all cases there has been a pre-existing partnership the obligations of which it is reasonable to suppose continue to underlie the new company structure. But the expressions may be confusing if they obscure, or deny, the fact that the parties (possibly former partners) are now co-members in a company who have accepted in law, new obligations. A company, however small, however domestic, is a company not a partnership or even a quasi-partnership and it is through the just and

> equitable clause that obligations, common to partnership relations, may come in.

67 In the local context, "quasi-partnerships" (or a business akin to quasi-partnerships) are often established in respect of family businesses due to the circumstances in which they were formed and managed. For example, in *Lin Choo Mee v Tat Leong Development (Pte) Ltd and Others and Other Matters* [2015] SGHC 99, the court held (at [75]) that the family companies were akin to a quasi-partnership for three reasons: (a) the shares were and are closely held by family members; (b) the directors held their positions by virtue of blood ties rather than commercial considerations; and (c) the shareholders and directors held their shares and directorships by virtue of inheritance instead of by voluntary subscription.

68 One other relevant indicator of a quasi-partnership is the informal nature of its business operations. For instance, in *See Eng Siong Ronnie v Sassax Pte Ltd and another* [2020] SGHC 96 ("*See Eng Siong Ronnie*") at [44], the court found that the company in question was a quasi-partnership due, in part, to the fact that the two shareholders and directors in that case "regularly discussed [business] over messaging applications rather than through formal email exchanges".

69 However, the Court of Appeal has cautioned that the law does not automatically treat all family businesses as quasi-partnerships, nor does it assume that a relationship of mutual trust and confidence exists among all family members involved in the company's management (*Kathryn Ma* at [34]); see also *Chow Kwok Chuen* at [33] and *Tan Bee Hong Blossom and another v Tan Seng Keow Doreen and others* [2020] SGHC 89 (where the court found that the subject "family company" was not akin to a quasi-partnership).

70 Finally, the relevant time to assess whether a company is a quasi-partnership is at the time when the acts complained of occurred (*Augusta Healthcare, Inc v Valley Health System* CICA (Civil) Appeal No. 004 of 2022 at [43]). This is important because a company may not start out as a quasi-partnership but may evolve into one; conversely, a company may start out as a quasi-partnership but later cease to be one.

Parties' cases

71 CK argues that LKE is akin to a quasi-partnership because:

(a) It is clear from the Statement of Wishes that the Patriarch founded LKE as the family's investment vehicle to preserve and grow the family wealth and to take care of the future generations of the Kho family.[90]

(b) The Statement Wishes unequivocally expresses the Patriarch's desire for the Four Brothers to "cooperate with one another more closely, tolerate one another and regard one and another with sincerity".[91] This document is highly significant, as all parties involved treated it with reverence and religiously abided by its contents.[92]

(c) From the 2005 Buyout to October 2019, CK and Patrick jointly managed LKE and made all decisions collectively through informal discussions between themselves, without resorting to Board meetings and without involving the other directors. CK provided several examples of business decisions during this period, which demonstrate the informal

---

90 CK's Closing Subs at paras 21–22.

91 1AB45.

92 CK's Closing Subs at paras 23–27.

discussions which they had and explained how this was only possible because of the mutual trust and confidence they had.[93]

72 Patrick, on the other hand, relies heavily on the position taken by CK in the 2003 CWU, namely that LKE operated on the basis of the shareholders' and directors' strict legal rights under the LKE M&A – which entitled him to use the casting vote as a tie breaker mechanism.[94] Further, Patrick highlights that CK himself refuted Joo and Kian's claim that LKE "would be run exclusively by the four brothers as a quasi-partnership on the basis of mutual trust and confidence".[95] CK did so by arguing that the absence of any assigned responsibilities for Joo in the Statement of Wishes "flies in the face of [Joo and Kian's] contention that each of the [Four Brothers] had an equal right to manage the Company, in the nature of a quasi-partnership".[96] Patrick then argues that CK has not put forward any evidence that the decision making process at LKE changed after the 2005 Buyout.[97]

My decision

73 In my view, both CK and Patrick have to different extents missed the issue by placing excessive reliance on either the Statement of Wishes or the 2003 CWU. Both were superseded by later material events, especially the way LKE was managed after the 2005 Buyout.

---

93 CK's Closing Subs at paras 28–37.

94 Patrick's Closing Subs at paras 28–31.

95 Patrick's Closing Subs at para 33.

96 Patrick's Closing Subs at para 33.

97 Patrick's Closing Subs at para 34.

74 I find the Statement of Wishes of limited relevance. I accept that it is strong evidence that the Patriarch intended for *the Four Brothers* to run LKE akin to a quasi-partnership, and the Four Brothers did run LKE in that manner. This is supported by the objective evidence, namely (a) the contents of the Statement of Wishes, which exhorts the Four Brothers to work together for the benefit, and to preserve the business for future generations, of the Kho family; (b) the equal allocation of shares by the Patriarch to the Four Brothers; (c) their involvement in the management of LKE; and (d) their practice of informal meetings and consulting one another on business matters. In this regard, LKE exhibited many of the same features as the subject company in *Chow Kwok Chuen,* which was found to be akin to a quasi-partnership (see *Chow Kwok Chuen* at [31]).

75 However, with the breakup of the Four Brothers following the 2005 Buyout, it is evident that the Patriarch's wishes could no longer be achieved. Joo and Kian sold their shares and LKE was no longer going to be run for the benefit of all the Patriarch's children and their respective families. LKE had assumed a different character, with CK and Patrick collectively owning 98% of LKE.

76 I also reject Patrick's reliance on the position taken by CK in the 2003 CWU for two reasons:

(a) CK did not assert that LKE was *not* a quasi-partnership in the 2003 CWU; and

(b) in any event, CK's position in the 2003 CWU was over 20 years ago, and what is relevant is how he and Patrick managed LKE after the 2005 Buyout.

(1) CK's position in the 2003 CWU

77 It is inaccurate to say that CK took the position in the 2003 CWU that LKE was not a quasi-partnership. To explain this, it is necessary to set out the parties' respective cases in the 2003 CWU in some detail.

78 The 2003 CWU was brought by Joo and Kian on the basis that it was "just and equitable" to wind up LKE. Joo and Kian alleged, amongst other things, that:

(a) CK's exercise of the casting vote (see [15] above) was in breach of:

(i) the Four Brothers' "fundamental understanding of *equal management*" [emphasis added],[98] wherein they would "manage the business together and make unanimous decisions on all major matters"[99]; and

(ii) an express agreement for CK not to exercise his casting vote, and to have the same removed in LKE's M&A.[100]

(b) There was a complete breakdown in the relationship of the Four Brothers.[101]

79 CK and Patrick took the position that:

---

98 1AB58 at para 40. See also 1AB54–1AB55 at paras 24–30; 1AB70 at para 109.

99 1AB55 at para 32.

100 1AB58 at para 40. See also 1AB55–1AB57 at paras 31–36; 1AB70 at para 109.

101 1AB68–1AB70.

(a) There was no right of equal management amongst the Four Brothers,[102] as "[c]onsultation was agreed to, but no more".[103] This is borne out in the Statement of Wishes, where the Patriarch deliberately assigned the Four Brothers different roles in the Group with the instruction that "whoever is more experienced in running a business and in conducting the affairs of the company shall be appointed to take on major responsibilities".[104] In this regard, the Patriarch assigned CK the heaviest responsibilities, including appointing him Chairman of LKE.[105] However, Joo was not assigned any role in the Statement of Wishes and this "flies in the face of [Joo and Kian's] contention that each of the [Four Brothers] had an equal right to manage [LKE], in the nature of a quasi-partnership".[106]

(b) CK was entitled to exercise the casting vote. The alleged agreement between the Four Brothers to remove the casting vote in LKE's M&A was expressly subject to a review "in 3 months' time", and LKE's M&A was never amended in such a manner.[107]

80 Crucially, CK did not categorically deny the existence of a quasi-partnership. Rather, he was refuting Joo and Kian's allegation that they had a right to "equal management", and it was in that context that he said Joo and

---

102 1AB84 at para 29.

103 1AB97 at para 60.

104 1AB45.

105 1AB94 at para 50.

106 1AB84 at para 29.

107 1AB100–1AB101 at paras 66–71.

Kian had no basis to say that they had "an equal right to manage [LKE], in the nature of a quasi-partnership".[108]

81 CK's evidence (which Patrick endorsed)[109] was that he was entitled to exercise the casting vote because he saw himself as having *additional or special* rights as the eldest, most experienced of the brothers, who the Patriarch had entrusted to lead the Group.[110] This is not inconsistent with LKE being run based on the basis of mutual trust and confidence between the Four Brothers or the existence of a quasi-partnership.

82 Nonetheless, the merits of the 2003 CWU were not determined, and it is not for me to make any findings in respect of the same. What is relevant is that nothing in CK's evidence in the 2003 CWU precludes him taking the position in these proceedings that LKE was managed in a manner akin to a quasi-partnership.

(2) CK's evidence on the change in LKE's decision-making process

83 More importantly, the position taken by CK in the 2003 CWU was over 20 years ago and does not represent how LKE was managed after the 2005 Buyout. In this regard, it is not accurate that CK did not advance any evidence that the decision-making process at LKE had changed. CK explained in his 1st Affidavit that:[111]

> [t]he dispute that we had with our other two brothers was a *good learning lesson* for Patrick and me. *After the dispute was resolved*, both Patrick and I had discussed and agreed that it

---

108 1AB84 at para 29.

109 1AB132–1AB136.

110 1AB85 at para 32; and 1AB95 at paras 52–54.

111 CK's 1st Affidavit at para 27.

> was *even more important for both of us to cooperate and work together with mutual trust and respect* to grow LKE and the Group.
>
> [emphasis added]

CK then went on to explain how they cultivated this relationship of trust and respect through their division of responsibilities,[112] entrusting each other with their respective roles,[113] and engaging in informal discussions on all business matters.[114] CK built on this in his Reply Affidavit where he referred to specific instances where he had discussed business matters with Patrick informally – without recourse to a formal board meeting involving the other directors.[115]

84 I therefore turn to the evidence of CK and Patrick's relationship from the 2005 Buyout until the time their relationship started deteriorating. As explained earlier (at [70] above), this is the relevant time frame for the court to assess whether LKE was akin to a quasi-partnership.

(3) LKE was akin to a quasi-partnership from 2005 to 2019

85 After the 2005 Buyout, CK and Patrick each held a 49% interest in LKE (see [17] above). All the other (minority) shareholders were their immediate family members – Patricia, Mdm Saw, and Philip (until 2022 – see [20] above) – who were bequeathed their shares. To finance their purchase of Joo and Kian's shares, CK and Patrick took out huge loans (in the region of S$16m) from LKE,[116] and therefore bore all the risks of that investment. None of the other

---

112 CK's 1st Affidavit at para 28.

113 CK's 1st Affidavit at paras 29–30.

114 CK's 1st Affidavit at para 31.

115 CK's 3rd Affidavit at paras 38–40

116 1AB341; 8 April 2024 Transcript at pp 105–106.

shareholders participated in the 2005 Buyout and were content to hold their small stakes in LKE. Neither did they ask to step into management roles to fill the void left by the departing Kian and Joo.

86 Significantly, while Patricia (from 8 September 2004 to 29 September 2009, and 9 August 2012 to present)[117] and Koh (from 11 April 2003 to 23 July 2015)[118] were also on LKE's board of directors, there is no evidence that they played any real or meaningful role at all. In fact, Koh and Patricia (in 2004) appeared to have been appointed primarily to strengthen CK and Patrick's position in their fight against Kian and Joo. CK's evidence was that he appointed Koh to "secure" the board.[119] Shortly after, he asked Patricia to join the board to similarly "defend their own interests" against Joo and Kian.[120] This is corroborated by Patricia's evidence – where she said she was only appointed in 2004 because of the feud between the Four Brothers, and that CK "may require voting" in that context.[121] She resigned on 29 September 2009, citing the inconvenience of signing resolutions while being based in Australia.[122] When she relocated back to Singapore in 2012, she asked CK and Patrick whether she could be reappointed to the board so that she could be "aware of what's happening in the company".[123] Crucially, there is no evidence that she was reappointed to the board to participate in management or to change the way

---

117 Statement of Agreed Facts at paras 14, 17, and 18.

118 Statement of Agreed Facts at paras 13 and 19.

119 5 April 2024 Transcript at p 232, lines 7–11.

120 5 April 2024 Transcript at pp 118, lines 21–25; p 119, lines 1–2.

121 Transcript dated 11 April 2024 ("11 April 2024 Transcript") at p 185, lines 16–25; p 186, lines 1–4.

decisions were made. Instead, Patricia was content with that arrangement and never once insisted that she be involved in, or consulted on, any matter.

87 Indeed, there is no evidence that either Patricia or Koh took part in *any* decision making at all, even on matters which should ordinarily be decided by the board (*eg*, the declaration of dividends). Nor were they even consulted on any issue. In this respect, CK's testimony that Patricia was "never" involved in the management of LKE and its subsidiaries from 2005 to 2019 is unchallenged.[124] From 2005 to 2019, *all* decisions concerning LKE were made *solely* by CK and Patrick after consulting with each other,[125] without the involvement of Koh or Patricia.[126]

88 It is also undisputed that neither CK nor Patrick called for any board meetings from 2005 to 2019; instead, all decisions were reached during informal meetings or discussions via text and email.[127] Where CK and Patrick had different views, they compromised. In fact, it was Patrick's evidence that he would usually "accommodate", or "give in" to, CK.[128] The following examples illustrate that working relationship.

89 In September 2010, CK proposed investing S$3m in the Beichen Development.[129] Patrick initially expressed his reservations about the

---

124 5 April 2024 Transcript at p 128, lines 18–23.

125 8 April Transcript at p 60, lines 17–19.

126 8 April Transcript at p 60, lines 13–16.

127 CK's 1st Affidavit at para 31; 8 April Transcript at p 62, lines 20–25 and p 62, lines 1–8.

128 8 April Transcript at p 73, line 24, p 74, lines 3–5; p 77, line 5; p 78, lines 4–5; p 80, lines 9–10; p 81, line 6.

129 1AB158 at para 4; 1AB157 at para 2.

investment.[130] CK offered to personally assume 60% of the risk (with the Group taking the remaining 40%).[131] If the investment was successful, CK would share the upside equally.[132] But if it failed, CK would "adjust [his] share equity in the [the Group] to compensate [Patrick]".[133] Patrick did not agree with this proposal as he felt it would "disintegrate" them,[134] and it would not be "nice" for the Group to take CK's shares if the Beichen Development failed.[135] Patrick therefore compromised by agreeing to "take a punt on this project with SGD3m since [CK] [felt] so strongly about it".[136]

90 In early 2014, Patrick proposed a similar-sized investment of S$3m in two projects in London ("London Investment").[137] CK objected to the investment as he was not comfortable with the risks of LKE's first foray into London.[138] Patrick proposed to make the investment personally[139], but as he needed funds for the investment, he requested that LKE declare dividends.[140] CK agreed to this.[141]

---

130 1AB159–1AB160.

131 1AB159 at para 8.

132 1AB159 at para 8.

133 1AB159 at para 8.

134 1AB157 at para 3.

135 8 April Transcript at p 71, lines 1–12.

136 1AB157 at para 5.

137 8 April Transcript at p 78, lines 6–25; p 131, lines 1–3.

138 8 April Transcript at p 82, lines 14–19.

139 8 April Transcript at p 79, lines 1–16.

140 1AB321.

141 8 April Transcript at p 79, lines 17–25.

91 Sometime in 2014,[142] CK proposed investing in LHB, which was listed on the ASX. Patrick supported this investment as the Group had not previously invested in a publicly listed company.[143] Shortly after, CK proposed investing in LHM (which was also listed on the ASX).[144] Patrick voiced his concerns as he "felt that [they] were not ready to take on two [listed companies] with [their] limited resources".[145] However, Patrick ultimately accommodated CK, and the Group invested in both LHB and LHM.[146]

92 One of the more significant accommodations is the "80:20 Arrangement" which came about in 2016. Patrick was again interested to explore investment opportunities in London – which CK was less enthusiastic about.[147] Patrick therefore proposed the 80:20 Arrangement (*ie*, that either CK or himself could personally pursue opportunities the other was not comfortable with) with the Group taking a minority 20% stake.[148] To provide the primary investor with the necessary funds, LKE would declare sufficient dividends.[149] Under the 80:20 Arrangement, Patrick and CK incorporated ARC LH Investments Pte Ltd – which Patrick held an 80% stake in, and S.LH Corporation Pte Ltd – which CK held an 80% stake in (collectively, the "80:20 Companies").[150] The 80:20 Companies served as vehicles for CK and Patrick to pursue their own interests when they could not agree on new investments but

---

142 2AB243.

143 8 April Transcript at p 77, lines 12–14.

144 8 April Transcript at p 77, lines 16–18.

145 8 April Transcript at p 77, lines 12–24.

146 8 April Transcript at p 77, lines 1–9.

147 CK's 1st Affidavit at para 51(b).

148 2AB446; CK's 1st Affidavit at para 51(b); 8 April Transcript at p 86, lines 6–17.

149 2AB446.

150 Patrick's 1st affidavit at para 90(h); CK's 1st affidavit at p 141.

ensured that the Group retained an interest via a minority stake. It was their way of managing their relationship.

93 They also trusted each other to manage different aspects of the Group's businesses. For example, CK mainly took charge of the Group's business in China, whilst Patrick oversaw the Group's leasing activities in Australia.[151] The understanding was that the brothers would consult each other and in the event they disagreed, reach an accommodation or compromise, which they always succeeded in doing prior to 2019. There was admittedly never any deadlock which raised the question of whether CK, as Chairman of LKE, could break using his casting vote; but importantly, CK did not throughout this period assert any right to do so. What is also critical is that CK and Patrick did not, prior to 2019, involve Koh and Patricia in their discussions, or even consult them.

94 It is clear from the foregoing that the LKE was akin to a quasi-partnership and managed on the basis of mutual trust and confidence between CK and Patrick from 2005 to 2019, with the other directors and (2%) shareholders having no say at all.

CK's legitimate expectations

The law

95 Legitimate expectations act as an equitable constraint on a party's exercise of a legal right (*Re Astec (BSR) plc* [1998] 2BCLC 556 at 588, cited in *Evenstar* at [40]). They are derived from: (a) strict legal rights as found in documents such as the company's constitution or shareholders' agreements; (b) informal understandings and assumptions from the parties' interactions in cases

151 CK's 1st Affidavit at para 28.

of quasi-partnerships; or (c) informal understandings among shareholders independent of whether the company is a quasi-partnership: *Thio Syn Kym Wendy v Thio Syn Pyn* [2017] SGHC 169 at [44].

96 In *O'Neill v Phillips* [1999] 1 WLR 1092 at 1101 (cited in *Evenstar* at [40]), Lord Hoffman suggested a useful "cross-check" to determine the existence of a legitimate expectation:

> I think that one useful cross-check in a case like this is to ask *whether the exercise of the [legal right] in question would be contrary to what the parties, by words or conduct, have actually agreed.* Would it conflict with the promises which they appear to have exchanged? ... In a quasi-partnership company, they will usually be found in the understandings between the members at the time they entered into association. But there may be later promises, by words or conduct, which it would be unfair to allow a member to ignore. *Nor is it necessary that such promises should be independently enforceable as a matter of contract.* A promise may be binding as a matter of justice and equity although for one reason or another (for example, because of a third party) it would not be enforceable in law.
>
> [emphasis added]

97 More recently, the High Court in *Oon Swee Gek v Violet Oon* [2024] SGHC 13 ("*Violet Oon*") provided the following guidance (at [28]) in the context of a minority oppression claim under s 216 of the Companies Act 1967 (2020 Rev Ed) ("CA"):

> First, while legitimate expectations are not contractual terms and so not subject to the requirement of certainty, they do, if they exist, form the foundation and framework for the parties' relationship in the company in which they are shareholders. For this reason, a legitimate expectation must be reasonably clear and straightforward. The more complicated, qualified, hedged, vague, or ambiguous a contended-for expectation is, the less likely it is that it operated as a legitimate expectation. Second, expectations must not be confused with "hopes" or "aspirations". A legitimate expectation should set an objective baseline of behaviour or establish a clear red line that parties should not cross. If it is merely something parties hope will

> happen if all goes well, it will not amount to a legitimate expectation.

98 Consistent with the above principles, legitimate expectations must be grounded on a *common* understanding, as opposed to a purely subjective expectation (*Lim Kok Wah and others v Lim Boh Yong and others and other matters* [2015] 5 SLR 307 ("*Lim Kok Wah*") at [121]–[122]).

The 1st LE is established

99 CK's 1st LE is that he and Patrick would make business decisions in LKE collectively through informal discussions, and that matters of disagreement would be resolved between themselves instead of being put to a vote at the Board, as was the practice over a long period of 14 years after the 2005 Buyout.[152]

100 Patrick refutes the existence of the 1st LE and argues that:

(a) CK's case on the 1st LE has been inconsistent throughout this application, and his inability to articulate his case with clarity is the clearest indication that he did not have the LE.[153]

(b) CK's evidence that he has "never" thought about what happens if Patrick does not defer to him if there is a disagreement shows that he did not have any LE about how he and Patrick would resolve business disagreements.[154]

---

152 CK's Closing Subs at para 51.

153 Patrick's Closing Subs at paras 57–59.

154 Patrick's Closing Subs at para 60.

(c) CK has not explained what the difference is between resolving matters through informal discussions and board meetings. The *mode* by which matters are discussed is irrelevant.[155]

(d) The fact that no board meetings were called from 2005 to 2019 does not mean that the directors had no right or lost the right to call a board meeting. No board meetings were called simply because there was no need for board meetings.[156]

101 Patricia argues that CK has not explained what exactly *she* had agreed to.[157] When Patricia rejoined LKE as a director in 2012, there was no discussion (much less agreement) between her and CK that she would have to "give in" or "accommodate" CK's wishes.

102 I accept the existence of the 1st LE. At its core, the 1st LE sets out CK's expectation on how LKE and the Group would be run. From 2005 to 2019, all decisions concerning the Group were made solely by CK and Patrick through consultations, with consensus and compromise at the heart of each decision. As I found above at [85]–[94], although Patricia was on LKE's board, she was not, or expected to be, involved in *any* decision making and not even consulted on any issues. While CK conceded under cross-examination that with Patricia on the board he could be outvoted,[158] this only reflected his acknowledgement of the *legal* consequence of her being a director.

---

155 Patrick's Closing Subs at paras 61–62.

156 Patrick's Closing Subs at paras 63–66.

157 2nd Non-party (Dr Patricia Koh)'s Closing Submissions dated 16 May 2024 ("Patricia's Closing Subs") at para 2.

158 4 April 2024 Transcript at p 36, lines 8–12.

103 It bears repeating that following the settlement of the 2003 CWU, it was only CK and Patrick who took loans to buy-out Kian and Joo such that they each held 49% of the shares in LKE each. Only CK and Patrick made decisions on behalf of LKE, to the exclusion of the other board members, Patricia and Koh. Following the 2005 Buy-out, LKE was effectively a "partnership" between CK and Patrick, and they consulted each other, and reached a consensus, on all decisions. Where they could not agree on new investments, the "80:20 Arrangement" acted as a method to ensure that the proposer of the investment would not be denied and the investment could proceed with the Group's (minority) participation. It would be entirely contrary to the conduct of CK and Patrick over the years, and the reasonable expectations formed as a result, that CK's involvement and influence would effectively be reduced to that of a minority on the board, particularly when Patricia was appointed with no understanding or expectation that she would be involved in LKE's management at all. It would, in the words of Lord Hoffman in *O'Neill*, be "contrary to what the parties, by words or conduct, have actually agreed".

104 For completeness, I do not accept Patrick and Patricia's arguments:

(a) First, CK has not been inconsistent with his stance on the *existence* of the 1st LE. As explained above at [52]–[58], CK has set out in sufficient detail the substantive allegations underlying the 1st LE in his affidavits in support of this winding up application. The 1st LE, as advanced, was not "complicated, qualified, hedged, vague, or ambiguous" (*Violet Oon* at [28]). I note that CK did over-state his position in his oral evidence, testifying that he expected Patrick to "defer" to his views, even if Patrick thought it was against LKE's

interests.[159] But this, at best, was his "purely subjective expectation" which does not give rise to any legitimate expectation (*Lim Kok Wah* at [121]), and is in any event not the case he advanced. This evidence is also not inconsistent with or contradictory to the existence of the 1st LE.

(b) Second, although CK initially testified that he "never thought" about what would happen if Patrick did not defer to him if there was a disagreement, he promptly explained that "well, if he disagreed … then I suppose we'd need to talk even more and need to find some middle ground to solve the problem".[160] This is consistent with his 1st LE – that he and Patrick would resolve any disagreements between themselves instead of calling a board meeting where Patricia would effectively act as the deciding vote.

(c) Third, while the *mode* by which matters are discussed is not the most relevant issue, that is not the gravamen of the 1st LE. As explained earlier (at [102]), CK's real grievance is that the calling of a formal board meeting would involve Patricia effectively acting as the deciding vote – that was never how CK and Patrick decided matters and resolved their differences in the past. Further, the *mode* is not entirely irrelevant as the fact that decisions were always made in informal settings is relevant to the issue of whether there was a "quasi-partnership" (*See Eng Siong Ronnie* at [44]).

(d) Fourth, it is not true that there was no need for board meetings from 2005 to 2019. There were numerous instances of disagreement between CK and Patrick during this period, such as the London

159 5 April 2024 Transcript at p 238, lines 4–7.

160 5 April 2024 Transcript at p 240, lines 16–19.

Investment and Beichen Development (see [89]–[90] above). These disagreements could have easily been resolved by putting the matter to a vote at a board meeting. But CK and Patrick chose not to do that but instead found compromises (see [93] above).

(e) Fifth, Patricia did not have to *verbally* discuss or agree to any of the LEs. The crucial question is whether the parties had by "words *or conduct*" come to an understanding of how the affairs of LKE would be managed (see [96] above). As explained above, the clear conduct of the parties is that Patricia would not be involved in the management of LKE or the discussions between CK and Patrick. Patricia demonstrated by her conduct that she understood and accepted this; indeed, she did not even once ask to be involved.

Modified version of the 2nd LE is established

105 CK's 2nd LE is that he would have a key role in management and his views would be considered and/or properly considered.[161] In support of his expectation to have a "key role in management", CK points to the fact that he is the eldest son with the most experience and took over management of LKE after the Patriarch passed away – in accordance with the Statement of Wishes.[162]

106 I do not accept such an ambiguous LE. As I explained (at [75] above), the Statement of Wishes is of limited relevance following the 2005 Buyout and the practice adopted thereafter by CK and Patrick. Further, the Statement of Wishes does not resolve the ambiguity of the phrase "key role in management".

---

161 CK's Closing Subs at para 53.

162 CK's Closing Subs at para 53.

107 Insofar as CK is asserting an expectation that Patrick should always defer to him, that is his "purely subjective expectation" (see [98] above). Indeed, he did not take that position until his oral evidence,[163] and he has not shown any evidence that this was a "common understanding" he shared with Patrick.

108 I only accept the 2nd LE to the extent that CK had a right to be involved in the management of LKE and to have his views properly considered ("Modified 2nd LE").

3rd LE is not established

109 CK's 3rd LE is that dividends must be declared if he requested them.[164] He argues that this LE is found in the terms of the Statement of Wishes and is supported by the practice adopted by LKE. CK also relies on Patrick and Patricia's concession during cross-examination that LKE was incorporated as the family's investment vehicle to preserve and grow the family wealth and to take care of future generations of the Kho family.[165]

110 For the reasons below, I reject the 3rd LE.

(1) The Statement of Wishes is of little assistance

111 I do not place much weight on the terms of the Statement of Wishes. As explained above (at [75]), it had largely been rendered irrelevant when the Four Brothers split up in 2005. More importantly, the Statement of Wishes does not

---

163 5 April 2024 Transcript at p 238, lines 15–22.

164 CK's Closing Subs at paras 59–61.

165 8 April 2024 Transcript at p 9, lines 11–25; p 10, lines 1–11; 11 April 2024 Transcript at p 16, lines 2–7.

refer to the payment of dividends and when CK was asked to identify the passages he was relying on, he was unable to point to anything relevant.[166]

112 The Statement of Wishes does little more than state the uncontroversial proposition that the main objective of LKE, as a commercial enterprise, is to create value for members of the Kho family (who are its shareholders). Even if that objective implicitly included the payment of dividends, there is nothing in the Statement of Wishes which suggests that dividends *must* be paid so long as CK or any family member asks for them. More importantly, the terms of the Statement of Wishes make it clear that the emphasis was on protecting the business empire and preserving the assets for *both* the current and future generations. Any payment of dividends would benefit the current members at the expense of future generations. It is therefore for the board of LKE to strike a balance, and any condition that a dividend must be paid simply because a member requests the same would be inconsistent with the Statement of Wishes.

(2) LKE did not have a consistent practice of declaring dividends

113 LKE's practice of declaring dividends also does not support CK's case.

114 First, it is undisputed that LKE did not have a dividend policy. Dividends were not paid every year. The quantum of dividends when declared followed no formula or guideline, and no dividends were declared in 2006, 2007 and 2010.[167]

115 On 3 January 2012, Patrick proposed to CK that they should "set a target for an annual dividend yield" and that "[they] can start with a target of 1% to

---

166 5 April 2024 Transcript at pp 225–227.

167 Statement of Agreed Facts at para 27.

3% of the net assets of the group depending on how the group performs for the year".[168] But nothing came of this.[169] I disagree with CK's submission that the contents of Patrick's proposal are consistent with his case "on the key objectives of LKE to declare dividends".[170] Patrick was only attempting to introduce structure and certainty to the issue of dividends, as he explained when he made his second proposal.

116 Patrick made another proposal to CK on 21 February 2017.[171] In his email, Patrick wrote that "[o]ur dividends are ad hoc and subjective. We declare dividends based on our immediate cash requirements", that "[w]e should have a dividend policy or target" and that "[w]e must be able to have the profits and the cash flow to declare dividends so that all shareholders can benefit and plan for their future and their children's future".[172] Nothing came of this proposal as well. What is significant is that in discussing whether to adopt a dividend policy, there is no evidence of CK or Patrick suggesting that it *must* be paid if a member asks for it.

117 Second, CK's oral evidence is inconsistent with the 3rd LE. Initially, he claimed that when a shareholder requests for dividends, LKE "just pays it out"[173] and that LKE's Financial Controller would "evaluate and analyse it" and let the directors know if it cannot be done.[174] However, when pressed to clarify the process, CK was initially evasive but eventually accepted that:

---

168 1AB478–1AB479.

169 4 April 2024 Transcript at p 54, lines 4–18.

170 CK's Closing Submissions at para 44.

171 2AB337–2AB338.

172 2AB338.

173 4 April 2024 Transcript at p 65, lines 15–24.

174 4 April 2024 Transcript at p 66, lines 10–15.

(a) where a shareholder requests dividends, the directors will have to consider several factors and strike the right balance;[175]

(b) striking the right balance involves judgment;[176]

(c) in seeking to discharge his or her fiduciary duties, each director must independently exercise his or her judgment;[177] and

(d) as part of the balancing exercise, the directors must consider economic cycles, global circumstances, family needs, and asset preservation and growth for future generations.[178]

In other words, it was not the case that LKE would pay dividends simply because a shareholder asked for the same. Indeed, CK accepts that the payment of dividends (and the amount) is "subject to the financial positions and the law".[179]

118 Third, the evidence shows that in some years, dividends were paid when CK or Patrick raised a *specific* need for funds:

(a) It was Patrick's unchallenged evidence that around S$13.5m was paid out in 2008 and 2009 to pay off the loans which CK and Patrick took to finance the 2005 Buyout (see [19] above).[180]

---

175 4 April 2024 Transcript at p 72, lines 21–24.

176 4 April 2024 Transcript at p 73, lines 3–5.

177 4 April 2024 Transcript at p 73, lines 6–9.

178 4 April 2024 Transcript at p 78, lines 17–21; p 83, lines 16–24.

179 4 April 2024 Transcript at p 61, line 17.

180 8 April 2024 Transcript at pp 106–107.

(b) In 2014, around S$7.8m was paid out to enable Patrick to make the London Investment (see [90] above).[181]

(c) In 2015, S$6.9m was paid out on CK's request to enable him to purchase an apartment for his son in Australia as his son would be studying there.[182]

(d) In 2016, dividends exceeding S$16.8m were paid out to enable CK and Patrick to embark on their own investments under the 80:20 Arrangement (see [92] above).[183]

119 These four instances over a period of 15 years do not, by themselves, give rise to a legitimate expectation that dividends must be declared simply because CK or a shareholder asks for it. Further, the specific need for funds in these four instances should be contrasted with the vague (and inconsistent) reasons offered by CK when asking for dividends in 2020 and 2021 (see [153]–[155] below).

120 Fourth, and crucially, CK's own conduct was not consistent with his own case. When he asked Patrick and Patricia to approve the payment of S$10m of dividends for FY 2020, he did not assert any policy or understanding that he was entitled to dividends if he asked for them. Instead, he made appeals for Patrick and Patricia to be "considerate" and "humane".[184] When pressed on this, he claimed he could not insist on the (alleged) policy because Patrick and

---

181 1AB321; 8 April 2024 Transcript at pp 130–131.

182 4 April 2024 Transcript at p 62, lines 6–16.

183 8 April 2024 Transcript at pp 156–157.

184 3AB356 and 3AB358.

Patricia were "trying to collude together to override [his] decisions",[185] and there was therefore no point in insisting on payment. However, CK acknowledged that he had no evidence of such collusion.[186] In any case, there was nothing to prevent CK from highlighting and insisting on the 3rd LE, if it existed. Indeed, as will be shown when discussing his other specific complaints below, CK was not shy to advance his views on various issues, even where he did not think they would be accepted.

121 I therefore find that the 3rd LE does not exist. However, this does not dispose of the issue on dividends, as the question remains whether CK's request for dividends was properly considered or whether the manner and reasons for its rejection is evidence of a breakdown of trust and confidence between him and Patrick.

122 I now turn to consider each of specific matters CK complains of.

Whether CK's legitimate expectations were breached

ITS and the Southern Cross Board Meeting

123 In brief, CK's complaints with respect to ITS are:

(a) Patrick's calling of a board meeting to decide on the refurbishment of ITS ("ITS Refurbishment") was a breach of the 1st LE; and

(b) Patrick and Patricia's failure to properly consider his views with respect to the ITS Refurbishment was a breach of the 2nd LE.

---

185 4 April 2024 Transcript at p 47, lines 5–13.

186 4 April 2024 Transcript at p 48, lines 5–11.

(1) Background

124 The building which houses ITS was originally constructed in 1947 and converted into ITS in 1997.[187] In 2011,[188] S$500,000 was spent renovating ITS ("1st ITS Renovation").[189]

(A) THE DECISION TO REFURBISH ITS

125 At a monthly finance meeting on 11 December 2017, Patrick proposed the ITS Refurbishment,[190] as it was old and had received negative reviews.[191] CK suggested that the management conduct a sensitivity analysis and look at the 1st ITS Renovation for comparison.[192] At a monthly finance meeting on 13 February 2018, Patrick presented the sensitivity analysis.[193] Patrick claims that because CK did not respond with any adverse comments, he appointed architects and submitted a written permission (the "WP") to the Urban Redevelopment Authority ("URA") without consulting or informing CK.[194]

126 On 3 May 2018, pursuant to CK's suggestion, a compilation of ITS' past performance before and after the 1st ITS Renovation was presented at a monthly finance meeting.[195] Sometime between 3 May 2018 and 7 July 2018, CK discovered Patrick's appointment of the architects and submission of the WP to

---

187 Patrick's 1st Affidavit at para 105; 3AB91.

188 3AB204 at para 3.

189 3AB217 at para 4.

190 3AB214 at para 2.

191 9 April 2024 Transcript at p 2, lines 7–11.

192 3AB214 at para 2.

193 3AB214 at para 2.

194 3AB214 at para 2; 3AB217 at para 1; 9 April 2024 Transcript at p 24, lines 15–24.

195 3AB214 at para 2.

URA. CK was upset. He nonetheless agreed to sign a cheque to pay the architects,[196] subject to the condition that no further expenses should be incurred.[197]

127 On 1 August 2018, CK sent an email to Patrick suggesting to shelve the ITS Refurbishment plan for 6 months.[198] On 11 August 2018, Patrick replied, stating that they should not let personal issues affect the normal business of the Group and reiterated the need for the ITS Refurbishment.[199] On 21 August 2018, CK responded, recommending the sale of ITS.[200] On 30 August 2018, Patrick disagreed with CK's suggestion to sell ITS, explaining that ITS was "too rundown and old" and that it would not fetch a good price.[201] Patrick also emphasized the investment already made in the refurbishment plan and the potential waste if it were to be aborted.[202]

128 As CK did not respond to this email, Patrick proceeded with the planning and assumed that CK was agreeable.[203] However, in December 2018, CK refused to sign off on a reimbursement cheque for further URA fees, claiming that he had not been consulted.[204] Patrick put the ITS Refurbishment on hold.[205] On 26 July 2019, Patrick wrote to CK (with Patricia copied) asking specific

---

196 3AB214 at para 2.

197 3AB217 at para 7.

198 2AB447.

199 2AB446.

200 2AB445.

201 2AB444 at para 5.

202 2AB444 at para 5.

203 3AB214 at para 2.

204 3AB214 at para 2.

205 3AB214 at para 2.

questions and reasons for CK's change of mind on the ITS Refurbishment, and proposing to move forward quickly if there were no further questions.[206] CK did not reply to Patrick's email of 26 July 2019.[207]

129 On 2 August 2019, Patrick engaged CBRE to conduct a market feasibility report on the ITS Refurbishment plans.[208] He did not inform CK he had done so. Patrick testified that he hoped to use the report to "convince" CK to accept his proposal for the ITS Refurbishment.[209] However, he did not ask CBRE to consider CK's suggestion of selling ITS.[210] CK argues that Patrick should have run a marketing campaign to try to sell the ITS or ask CBRE to also consider CK's idea of selling.[211] Patrick testified that he did not do so because he did not believe ITS should be sold.[212] He added that if CK was serious about his view, CK could have commissioned his own report.[213]

(B) CALLING OF THE SOUTHERN CROSS BOARD MEETING

130 On 24 October 2019, CBRE issued its report recommending the refurbishment of ITS ("CBRE Report").[214] The following day, Patrick called for a formal board meeting for Southern Cross to approve the ITS Refurbishment

206 3AB214–3AB215 at para 2.

207 3AB215 at para 2.

208 3AB61.

209 9 April 2024 Transcript at p 12, lines 22–24.

210 9 April 2024 Transcript at p 11, lines 12–18.

211 CK's Closing Subs at para 65.

212 9 April 2024 Transcript at p 14, line 24.

213 9 April 2024 Transcript at p 15, lines 1–21.

214 3AB87.

("Southern Cross Board Meeting"),[215] without consulting CK beforehand.[216] This was the first time a formal board meeting in the Group had been called since 2005. The notice for the Southern Cross Board Meeting (with the CBRE Report attached) was sent by the company secretary to CK on 26 October 2019.[217] CK replied to the company secretary on 3 November 2019 (copying Patrick and Patricia), expressing his grievances in relation to how the discussions for the ITS Refurbishment had played out.[218] He also explained his preference to sell ITS instead of refurbishing it,[219] and said he was reviewing the CBRE Report and would "revert in due course".[220] CK ended off his email by apologising that he could not attend the meeting "due to (his) other prior commitment".[221]

131 Patrick replied to CK's email on 7 November 2019 to express his disagreement.[222] Notably, he ended off with saying:[223]

> Re the date and time of the meeting, to set the record straight, CK's secretary Chris Lim said that he is available on 11 November at 11am. It is therefore puzzling that he now says that he has a prior commitment. As this matter is long overdue, we shall proceed with the meeting if there is a quorum in accordance with the company's memorandum and articles of

---

215 3AB110.

216 9 April 2024 Transcript at pp 23–24.

217 3AB119–3AB201; 3AB218–3AB219.

218 3AB216–3AB218.

219 3AB217 at para 5.

220 3AB217 at para 6.

221 3AB218.

222 3AB214–3AB216.

223 3AB216 at para 9.

> association and in the best interests of the companies. CK can attend by dialling into the meeting if he wishes to do so.

132 I note that Patrick personally reached out to Patricia to inform her of the board meeting before fixing the date,[224] and ensured that she was available to attend.[225] But he did not do the same in respect of CK although this was the first formal board meeting being called in 14 years, which evidences their deteriorating relationship.

133 Patrick did not reschedule the Southern Cross Board Meeting, and it took place as scheduled on 11 November 2019 with CK absent.[226] The meeting lasted only 20 minutes, and Patrick and Patricia voted in favour of the ITS Refurbishment at a budget of S$3m.[227] Significantly, the minutes of the meeting do not record any discussion of CK's views as expressed in his 3 November 2019 email.

(C) CONTINUED DISCUSSIONS AFTER THE SOUTHERN CROSS BOARD MEETING

134 Shortly after, the COVID-19 pandemic hit Singapore. The evidence shows that CK and Patrick continued to discuss the matter without reaching any consensus.[228] On 6 April 2020, CK highlighted ITS' low occupancy rates in light of the pandemic and suggested getting a fresh report from CBRE.[229] Patrick responded on 13 April 2020, disagreeing with CK's views, stating that low

---

224 11 April Transcript at p 58, lines 21–25.

225 9 April Transcript at p 36, lines 6–20.

226 3AB228–3AB229.

227 3AB228–3AB229.

228 3AB263–3AB303.

229 3AB305–3AB306.

occupancy was the ideal time for refurbishment.[230] However, he agreed to get a revised report from CBRE to account for pandemic-related developments.[231] CBRE issued its revised report on 26 May 2020 ("Revised CBRE Report") which recommended proceeding with the refurbishment.[232] But again, CBRE was not asked to consider CK's proposals.

135 In an email dated 12 May 2020 to Patrick (with Patricia copied), CK expressed serious reservations about the Revised CBRE Report – particularly that its recommendation was based on several assumptions.[233] He reiterated his stance that the refurbishment plans should be halted, and they should consider other uses for ITS, such as converting it into shops and office space (which he stated that he had proposed earlier).[234] Patrick responded on 30 May 2020 explaining why he did not agree.[235]

136 On 30 March 2021, CK highlighted that ITS had incurred losses exceeding S$217,000 for the year 2020 and asked if Patrick maintained the view that ITS should be refurbished.[236] In his response, Patrick expressed the view that the fact that ITS incurred losses did not detract from the rationale for the refurbishment.[237] The whole point of the refurbishment was to improve ITS' position in the market and to achieve higher revenue and profitability. In his

---

230 3AB303.

231 3AB303.

232 3AB313–3AB336.

233 3AB295–3AB296.

234 3AB296.

235 3AB291–3AB295.

236 5AB100–5AB101.

237 5AB97–5AB99.

view, the value of ITS would be higher in the long term and Southern Cross should not adopt a short-term outlook and sell ITS immediately.[238]

137 However, the ITS Refurbishment was eventually put on hold as the construction tenders exceeded the $3m budget.[239]

(2) Whether there was a breach of the 1st and/or Modified 2nd LE

138 There is no dispute that CK and Patrick could not agree on the ITS Refurbishment. Neither of them suggested that the other's view was not honest or sincerely held. I consider that this was a legitimate business disagreement.

139 However, the real issue is Patricia's involvement in the decision and whether Patrick was making any genuine effort to engage CK or had used Patricia's vote to advance his position. In this regard, Patrick and Patricia confirmed that they did not discuss CK's views during the Southern Cross Board Meeting.[240] They claim they were aware of those views and had considered them as they had read CK's email of 3 November 2019.[241] However, the question remains as to why Patrick and Patricia believed CK's views did not warrant discussion. It is *not* Patrick and Patricia's evidence that they had discussed those views before the meeting. As the CBRE Report did not consider the option of selling ITS, there was no expert or market evidence for Patrick and especially Patricia to consider whether CK's suggestion was viable or even better. Patrick and Patricia did not even wait for CK to respond with his views

---

238 5AB98.

239 CK's Closing Subs at para 92; Patrick's Closing Subs at para 126.

240 11 April 2024 Transcript at p 93, lines 3–16.

241 9 April 2024 Transcript at p 47, lines 22–24.

on the CBRE Report before they resolved to proceed with the ITS Refurbishment. The matter was decided in a 20-minute meeting.[242]

140 Significantly, it appears from the minutes of the Board meeting that Patricia did not express *any* views at all – she simply voted in favour of the ITS Refurbishment.[243] Patricia testified that she did apply her mind and voted in favour of what she thought was the best proposal.[244] However, it is not her evidence that she was aware of the history of ITS or had taken steps to understand the pros and cons of the various options, including CK's suggestion of selling ITS. Neither is it her evidence that she had prior discussions with Patrick on the matter; she did not even ask any questions at the meeting. In other words, the evidence demonstrates that Patricia simply supported Patrick's position without question, and thought it unnecessary to clarify matters with Patrick or CK. The manner the decision was made also shows that CK's views were simply disregarded or not properly considered.

141 It is also relevant to consider why Patrick called a formal meeting in the first place instead of continuing to discuss and engage CK informally as they had done in the last 14 years. It was not an attempt to exclude CK from *participating* on the issue. As I noted above (at [131]), Patrick fixed the meeting after checking with CK's secretary on his availability. Further, CK could also have participated by phone – although he said he was away from Singapore and claimed was busy, he did not explain why he could not re-arrange his schedule

---

242 3AB228–3AB229.

243 CK's Closing Subs at para 86; 3AB228–3AB229.

244 11 April 2024 Transcript at p 91, lines 3–12.

to call into the meeting. Indeed, CK's evidence was that he "purposely" did not want to ask to reschedule the meeting "to see what the response would be".[245]

142 I find that Patrick called a formal meeting because he wanted to override CK's objections and pass the necessary resolution using Patricia's vote. He testified that he wanted to "move things along" because CK did not respond to his emails.[246]. But he did not explain why the decision could not be postponed until CK had responded with his comments on the CBRE Report or at least given his views. When asked why he did not reschedule the meeting, Patrick claimed that "a lot of resources" had been expended to call the meeting.[247] But these "resources" were minimal and merely involved Patrick instructing the secretary to prepare the notice of the board meeting and book the facilities.[248] Patrick offered a contrived explanation, alluding to the efforts of himself, Patricia, and the secretary, in making arrangements and finding the time to attend the meeting.[249] In his evidence, he questioned "why can't [CK] accommodate us?", which suggested his real grievance.[250] Nonetheless, this material departure from the way CK and Patrick had managed LKE only served to undermine the trust and confidence between them. The use of Patricia's vote in this manner was never intended by the parties, nor was it the way disagreements were resolved by CK and Patrick in the past. Patricia was not appointed to the board to participate in management, and certainly not to change the way decisions were made (as described at [102] above). Patrick's act in

---

245 5 April 2024 Transcript at p 136, lines 4–5.

246 9 April 2024 Transcript at p 13, lines 19, 20, 23, and 25.

247 9 April 2024 Transcript at p 27, line 23.

248 9 April 2024 Transcript at p 28, lines 22–25; p 29, lines 1–3.

249 9 April 2024 Transcript at p 29, lines 4–9.

250 9 April 2024 Transcript at p 29, lines 8–9.

calling a formal meeting and using Patricia's vote to get his way entirely disregarded CK's expectation on the way decisions would be made.

143 While it is true that Patrick continued to engage CK on the issue after the resolution had been passed, that does not affect my findings above. He maintained his position and insisted on proceeding with the ITS Refurbishment. Patrick did not even ask CBRE to give an opinion on CK's proposals so that all options could be considered. That the refurbishment did not proceed was only because the projected costs exceeded the budget.

144 For completeness, I reject Patricia's argument that the Southern Cross Board Meeting was "not an LKE board meeting" and that there "could not realistically have been any fundamental shift in the manner that *LKE* (as opposed to a subsidiary, Southern Cross) was being managed or affairs were being conducted between the Kho siblings".[251] This is an overly legalistic argument, premised on the fact that LKE and Southern Cross are technically separate legal entities. In the context of a minority oppression claim under s 216 of the CA, the Court of Appeal in *Ng Kek Wee v Sim City Technology Ltd* [2014] 4 SLR 723 ("*Ng Kek Wee*") rejected a similar argument (at [39]–[43]). In that case, the court held that the complainant was entitled to rely on the defendant's unfair conduct in a wholly owned subsidiary to show oppression. In a company whose sole assets were its wholly owned subsidiaries (as in LKE), the way in which the subsidiary's business was conducted – as the operational arm of the group – would unquestionably have affected the holding company (*Ng Kek Wee* at [43]).

---

251 Patricia's Closing Subs at para 13.

145 In my view, such legalistic arguments have less force in the context of a just and equitable winding up. Unlike s 216 of the CA, s 125(1)(*i*) of the IRDA does not even refer to the conduct of the affairs of "the company". Further, as explained above at [37]–[38], the court applies a broad formulation of what comprises unfair conduct and looks at all the circumstances of the case (*Chow Kwok Chuen* at [14]).

146 I therefore reject Patricia's attempt to draw an artificial distinction between disagreements at the LKE level and those at the subsidiary level. As in *Ng Kek Wee*, LKE is a holding company with no substantive business of its own. Its sole assets are its shareholdings in its subsidiaries. As such, business discussions (and disagreements) would inevitably feature at the subsidiary level. The board of LKE is also identical to that of Southern Cross (consisting of CK, Patrick, and Patricia). Therefore, the manner decisions were made at the Southern Cross level are undoubtedly relevant with respect to CK's legitimate expectations as well as his relationship with Patrick.

147 I therefore find that there was a breach of the 1st and Modified 2nd LE.

Declaration of dividends

(1) The law

148 The failure to pay dividends may in some cases amount to unfairness. Paul L Davies, *Gower & Davies: Principles of Modern Company Law* (Sweet & Maxwell, 8th Ed, 2008) at para 20–11 states that:

> [while] ... minority shareholders have no legitimate expectation that dividends will be paid just because they are shareholders in a quasi-partnership company. ... there may be particular circumstances in which the payment of no or only derisory dividends will amount to unfair prejudice, for example, where there was an arrangement that all the profits of the company would be taken out of the company in one way or another; that the fiscally efficient way of doing this had been to pay large remuneration to the directors; and that the fact that the petitioner was not a director deprived the petitioner of any share of the profits. ...

The above passage was cited with approval by the Court of Appeal in *Ting Shwu Ping v Scanone Pte Ltd* [2017] 1 SLR 95 at [103].

149 Directors have a duty to remember that the shareholders are the owners of the company, that the profits belong to the shareholders and that, subject to the legitimate needs of the company and that there are adequate reserves for commercial purposes, the directors have a duty to consider how much they can properly distribute to members (*Re a Company (No 00370 of 1987), ex parte Glossop* [1988] BCLC 570 at 577).

150 While the court should not substitute its own commercial judgment for that of the directors', it can intervene where the majority are acting in their own interests, and against those of the minority shareholders, in failing to pay dividends (see *Re Gee Hoe Chan Trading Co Pte Ltd* [1991] 2 SLR(R) 114).

151 This case stands on a different footing. The failure to pay dividends affects *all* the shareholders, including both CK and Patrick. The only shareholders drawing a salary from the LKE are CK and Patrick. It is therefore not the case that the failure to pay dividends financially benefits Patrick (or Patricia) at the expense of, or is unfair to, CK. Relatedly, the failure to declare dividends despite CK's request is also not inherently objectionable – given my

earlier finding (at [121] above) that CK had no legitimate expectation for dividends to be declared if he asked for them.

152 I also note that the involvement of Patricia on the dividends issue did not make a difference as Patrick did not require Patricia's vote or involvement to block the declaration of dividends. To that extent, the relevance of the 1st LE is limited in this context. Nonetheless, the conduct of Patrick on this issue is relevant to whether there has been a breach of the Modified 2nd LE. Specifically, the key issue is the reasons for his (and Patricia's) decision not to declare dividends and whether CK's views had been properly considered.

(2) Background

153 On 6 April 2020, CK sent an email to Patrick and Patricia, proposing to halt expenditures on ITS and instead asked for dividends to be declared for FY 2020:[252]

> ... I am proposing a halt to all expenditure on [ITS].
>
> Instead, it is time to show our care and attention to our shareholders and stakeholders during this period where we do not know how long this pandemic is going to last; it is always good and practical for distributing dividends so that all our shareholders can have some spare cash for emergency especially under this situation and our timely sale of the remaining 2 floors of O'Connell Street properties has amassed us with some cash, which comes in handy for tiding through this "unprecedented tsunami".

154 Patrick responded by saying it was "not the time to be distributing dividends" in light of the challenges and uncertainties posed by the COVID-19 pandemic.[253] This was followed by a series of email exchanges between them

---

252 3AB306.

253 3AB303.

discussing various matters, including the declaration of dividends.[254] Subsequently, a board meeting of LKE was called by CK and held on 25 June 2020 to formally discuss the issue.[255] However, no agreement was reached at this meeting.[256] The board reconvened on 16 July 2020, during which CK proposed a dividend declaration of S$10m.[257] Patrick and Patricia said they needed time to consider this figure, and CK proposed reconvening in 2 weeks for him to "back up" his proposed figure of S$10m, and for Patrick and Patricia to propose an alternative amount.[258] The board reconvened on 3 August 2020, but no alternative amount was proposed. Instead, Patrick and Patricia resolved to reconsider the issue in 6–12 months when the COVID-19 situation would be clearer.[259]

155 About eight months later, on 30 March 2021, CK raised the issue of dividends again, saying "[t]he COVID-19 situation and economic outlook have stabilised considerably, at least in Singapore" and that he "would like to call for a Board meeting to discuss the issue of dividends".[260] However, Patrick said that "the company should conserve cash so that it can invest in good property deals and business opportunities which are upcoming".[261] The discussion eventually shifted to these "business opportunities" (see [182]–[187] below), and no dividends were declared for FY 2020 and 2021.

---

254 3AB284–3AB307; 3AB342–3AB353.

255 3AB343–3AB344.

256 3AB349.

257 3AB357.

258 3AB358.

259 3AB370.

260 5AB101.

261 5AB99.

(3) Whether there was a breach of the 1st LE

156 I find that the 1st LE was not breached by Patrick and Patricia's refusal to declare dividends in 2020 and 2021. First, as I noted above (at [152]), Patrick did not require Patricia's vote or involvement to refuse to declare dividends.

157 I also note that when CK first requested for dividends on 6 April 2020, he sent that email to *both* Patrick and Patricia.[262] In other words, it was CK who involved Patricia. It was also CK (and not Patrick) who called a board meeting on 25 June 2020 to discuss the payment of dividends, and placed Patricia in a position where she would have to exercise her vote.

(4) Whether there was a breach of the Modified 2nd LE

(A) FINANCIAL POSITION TO DECLARE DIVIDENDS

158 The evidence suggests that LKE was in a financial position to declare dividends for FY 2020. As at 31 December 2020, the Group had accumulated profits amounting to S$156,340,448,[263] from which dividends could be paid. CK also pointed out that LKE's subsidiary, Accord Pacific Holding Pty Limited ("APH"), had more than AUD58.6m in its bank account in FY 2020,[264] with current liabilities of only AUD28m.[265]

159 Patrick testified that the accumulated profits should not be looked at in isolation. He pointed out that based on LKE's audited financial statements for FY 2020, as at 31 December 2020: (a), the Group and LKE had incurred a net

---

262 3AB304.

263 Agreed Bundle of Documents dated 28 March 2024 Volume 4 of 5 ("4AB") at 4AB31.

264 4AB267.

265 4AB265.

loss of S$6,230,723 and S$320,335 respectively, and LKE's current liabilities exceeded its current assets by S$15,231,534; and (b) the Group reported a net cash outflow from its operating activities of S$5,277,995.[266]

160 Patrick's evidence was that LKE would have to borrow from banks to pay S$10m in dividends as the Group's assets consist primarily of real estate and not cash, and maintained that it was not good practice to borrow to pay dividends as loans attract high interest and this would affect the Group's cash flow.[267] He testified that:

(a) the Group's cash flow was "quite bad" and there was a deficit every month;[268]

(b) LKE is not a trading company and that apart from hotel operations and rental, the profits are *unrealised* profits from an increase in value of the investment properties;

(c) CK's claim that APH had more than S$58.6 million is misleading as APH had cash needs and as shown in APH's audited financial statements for FY 2020, under "Current Liabilities", APH had "Trade and other payables" of S$17.6m and "Current tax liabilities" of S$11m;

(d) while the S$17.6m was owed to Lian Huat Management Services ("LHM"), that amount would not "sit in" LHM when it is paid to LHM as the Group had to repay loans in Singapore.[269] As shown in LHM's audited financial statements for FY 2020 under

266 Patrick's Closing Subs at para 128.

267 Patrick's Closing Subs at para 129.

268 9 April 2024 Transcript at p 214, lines 23–25; p 215, lines 1–2..

269 9 April 2024 Transcript at p 73, lines 11–22.

"Current liabilities", LHM had "Borrowings" of around $37m;[270] and

(e) the Group had other needs (*eg*, in Beichen) where there were UOB loans to be paid.[271]

161 However, it is not disputed that LKE had in the past drawn on its credit facilities to pay dividends and had paid dividends in years when its financial position (based on its accounts) was weaker.[272] Therefore, Patrick's explanation above, *on its own*, did not entirely explain the decision to withhold dividends.

162 Patrick's counsel highlighted in his cross-examination of CK that LKE's accounts for the FY ended 2020 were qualified.[273] But that is also not a sufficient reason, as dividends were declared in other years where the accounts were qualified.[274] In any event, this was not a reason raised by Patrick and Patricia in their discussions with CK to support their decision not to declare dividends and appeared to be an afterthought.

(B) COVID-19

163 There was however one material difference in FY 2020. At the time CK made his request for dividends (namely, April 2020),[275] Singapore and the world were grappling with the crisis brought about by the COVID-19 pandemic. At that time, it was unknown how long the pandemic would last and how severe it

---

270 4AB193.

271 9 April 2024 Transcript at p 75, lines 14–16.

272 1AB321; 8 April 2024 Transcript at p 133, lines 1–21.

273 4AB24.

274 2AB274 and 2AB281.

275 CK's 1st Affidavit at para 59.

would be for the economy. April 2020 was when the Singapore government instituted a set of "Circuit Breaker" measures to combat the pandemic – including restricting international travel and closing non-essential businesses. Vaccines were not yet available in Singapore, and there was widespread caution and a generally conservative, even pessimistic outlook.

164 CK accepted the severity of the situation. In his email sent on 6 April 2020 requesting for dividends, CK noted how the pandemic had "… brought the economy and businesses worldwide to a near standstill with the worse yet to come and till date no one can predict when the pandemic will subside …".[276] This observation was made in the context of persuading Patrick and Patricia against refurbishing ITS (see [153] above), but must equally apply to the issue of dividends.

(C) NO SPECIFIC REASON FOR CK'S REQUEST FOR DIVIDENDS

165 COVID-19 was an unprecedented crisis, and I accept that it would not be reasonable to simply rely on past practices as a justification for paying dividends. While acknowledging the need to be prudent, the only argument presented by CK for declaring dividends was the need to consider the welfare of shareholders, without articulating or detailing what those needs were, and importantly, how they trump the grave uncertainties the Group was facing.

166 Further, unlike in previous years, CK did not give any *specific* reason for needing funds. When he first asked for dividends, CK merely stated: "during this period where we do not know how long this pandemic is going to last; it is

---

276 3AB304–3AB305.

always good and practical for distributing dividends so that all our shareholders can have some spare cash for emergency especially under this situation".[277]

167 At the board meeting on 25 June 2020, Patrick asked CK what the urgency was, but CK did not respond.[278] At the board meeting on 16 July 2020, CK said that he had to look after his children and family.[279] But again, he raised no specific or immediate need. Indeed, CK merely appealed to Patrick and Patricia to be "considerate and humane during this COVID-19 crisis, with compassion and consideration",[280] without elaborating.

168 Significantly, it is not CK's evidence that he was in financial difficulties. In fact, between 2011 and 2020, he received S$26.5m in dividends from LKE.[281] In addition, he had been receiving S$39,000 per month in salary from 2011 (this was increased to S$41,000 per month from 2022).[282] Therefore, between 2011 and 2020, he had received more than S$30 million from LKE.[283]

169 Further, a portion of the dividends declared in 2019 was only paid on 15 June 2020. CK's share was S$481,886, meaning that CK had received substantial cash at or about the time he was asking for dividends for "emergencies".[284]

---

277 3AB306.

278 3AB349.

279 3AB356.

280 3AB368.

281 Patrick's Closing Subs at para 138.

282 Patrick's Closing Subs at para 138.

283 Patrick's Closing Subs at para 138. This sum of S$30m includes around S$6.6m which were declared in 2008 and 2009 to set-off the loans he took to buy out Joo and Kian in 2005.

284 CK's 1st Affidavit at paras 53–54.

170 During cross-examination, CK embellished his evidence. He cited his concern over his mother's health and his *fear* of her contracting COVID-19 and being warded in the Intensive Care Unit. This was never raised previously. CK agreed that his mother was not receiving treatment and that he did not know how much the medical fees would be.[285] CK admitted that he only wanted money as a "contingency" if his mother contracted COVID.[286] In other words, he had no, let alone any urgent, need for money, and there is no evidence that he could not afford any medical expenses.

171 I find CK's evidence on this point contrived. He was making up reasons for asking for dividends and invoked his mother to gain sympathy.

172 Nonetheless, while the Group's cash needs and the COVID-19 situation may, on the surface, provide Patrick and Patricia with good reason to be conservative and not declare dividends in FY 2020 and 2021, the question arises whether Patrick and Patricia were honest in relying on these reasons or were only using them as a pretext to deny CK.

(D) CK'S ARGUMENTS

173 CK points out that during the Global Financial Crisis (where the Group suffered a loss of S$5.85m and S$4.84m respectively for FY 2008 and 2009) LKE still declared aggregate dividends of more than S$13.5m.[287] However, this does not undermine Patrick's position. As Patrick explained, he and CK had taken loans from LKE to buy out their brothers – they owed around S$16m collectively – and they decided to declare dividends in those years to "clean up"

---

285 4 April 2024 Transcript at p 108, lines 4–20.

286 4 April 2024 Transcript at p 109, lines 13–14.

287 CK's Closing Subs at para 49.

the balance sheet and pay off the debt.[288] The effect was that although substantial dividends were declared, CK and Patrick did not receive any cash payments. The declaration of dividends also did not materially affect LKE's cash position. The other family members did receive dividends as shareholders, but this was (in aggregate) a relatively modest sum of S$270,000 for FYs 2008 and 2009. I also note that no dividends were declared for FY 2010.

174 CK argues that Patricia did not apply her mind independently to the issue of dividends and supported Patrick's position without properly considering CK's views.[289] CK relies in particular on the following portion of the minutes of the LKE Board meeting on 25 June 2020:[290]

> After hearing from both Mr Patrick Kho and Dr Kho, Mr CK Kho is of the view that the Board members have to be honest and agree that the Group's primary objective is to generate profit for its shareholders so that dividends can be paid out. He mentioned that Mr Patrick Kho has referred to this primary objective in his previous emails when he was proposing travelling and entertainment policies for Directors, which was contained in the board paper during a meeting held on 11 November 2019, which Mr CK Kho was not able to attend. The Group has also been pursuing an asset divestment strategy, which is in line with the primary objective to generate profits for the shareholders. *As early as 2017, in another email from Mr Patrick Kho to Mr CK Kho, the former also emphasized on the need to focus on shareholders' interests and shareholders' dividends instead of just paper profits, so that all shareholders can benefit, plan for the future and plan for their children's future. Consistent with that rationale, dividends had always been declared in recent years from 2013 to 2019 based on Mr CK Kho's records. He found that no good reason had been given for the sudden change in policy.* COVID-19 pandemic should not be used as an excuse to shift the goalposts regarding the primary

---

288 1AB214; 1AB341; 1AB394; 8 April 2024 Transcript at pp 105–106.

289 CK's Closing Subs at para 101.

290 3AB348.

> objective of the Group. The Group is unaffected, its assets have been divested with no new projects being contemplated.
>
> [emphasis added]

175 CK points out that Patricia did not ask to see Patrick's 2017 email (as mentioned in the extract above) or ask about the "change in policy", and that this suggested that she did not apply her mind to the dividend issue.[291] I find that criticism unwarranted:

(a) The minutes are a record of a verbal discussion between CK, Patrick and Patricia, and one should be careful not to place too much weight on a parties' failure to question every matter raised. Indeed, at the end of CK's long statement as recorded in the minutes, Patrick said that there were factual allegations raised which had to be checked.[292]

(b) Significantly, it was not CK's position at the meeting that the "policy" was that dividends must be declared so long as he (or any other member) asked for it. Instead, the "policy" advanced was that dividends would be declared so that "all shareholders can benefit, plan for the future and plan for their children's future".[293] Nothing in that statement would reasonably cause Patricia to reconsider her position that LKE should adopt a conservative posture given the pandemic.

(c) If CK believed that there was an expectation that dividends would be declared if he asked for them, and that Patricia may not know about this, one would have expected him to draw it to her attention.

---

291 CK's Closing Subs at para 101.

292 3AB348.

293 3AB348.

Instead, as seen above, all he offered were general statements of shareholders' interests.

(d) In the circumstances, Patricia was being asked to decide, for the first time, whether it was prudent to declare dividends in the context of an unprecedented pandemic. Both CK and Patrick presented arguments on the issue. Importantly, Patricia did not reject CK's request – she suggested that the board take some time to assess the COVID-19 situation before deciding on the issue of dividends.

(e) In any case, the Board ultimately decided to defer the issue to a later meeting.

(E) PATRICK AND PATRICIA'S FAILURE TO PUT FORWARD AN ALTERNATIVE AMOUNT

176 However, there is one aspect of Patrick and Patricia's evidence which was unsatisfactory. Despite his expressed concerns about the financial commitments of the Group and the uncertainties COVID-19 presented, Patrick testified he was open to declaring dividends if the amount was considerably less, and that "[they] can dividend…out [S$500,000 and S$1m] without affecting [their] financial position".[294] Patricia similarly admitted that "dividends … could be considered but not at 10 million"[295], although it was not clear from the evidence how she arrived at this conclusion. Importantly, that was not the position they took when discussing the issue with CK.

---

294 9 April 2024 Transcript at p 217, lines 1–9.

295 11 April 2024 Transcript at p 173, lines 15–16.

177 At the 25 June 2020 meeting, the Board agreed to defer the discussion of dividends. At the next meeting on 16 July 2020,[296] CK called for a vote on the issue.[297] Patrick responded by asking what CK's specific proposal was, as none had been offered. CK recommended that S$10m be declared as dividends.[298] Patrick said that he needed time to consider this. When asked for the basis of his figure, CK made some reference to some earlier transactions, which was plainly irrelevant – CK acknowledged this by later saying that he would come up with a "more scientific approach to analyse the amount".[299] Importantly, CK suggested convening another meeting in 2 weeks and requested that Patrick and Patricia come up with an alternative amount.[300]

178 At the next Board meeting on 3 August 2020,[301] CK reiterated his position, and offered some financial justifications.[302] Patrick responded by highlighting the financial challenges the Group was facing and reiterated his position to conserve cash and not issue a dividend.[303] Patricia's view was that the issue be deferred for 6 months.[304] The meeting ended with CK proposing to call for a vote to approve declaring dividends of S$10m.[305] Patrick responded by proposing that the issue be deferred for 6–12 months when the COVID-19

---

296 3AB354–3AB358.

297 3AB357.

298 3AB357.

299 3AB358.

300 3AB358.

301 3AB367–3AB370.

302 3AB368.

303 3AB369.

304 3AB370.

305 3AB370.

situation became clearer and Patricia agreed that the issue be deferred.[306] This stands in stark contrast with both their evidence that an amount lower than S$10m could be paid out as dividends.[307]

179 When asked why he did not propose declaring a lower amount of dividends, Patrick could not offer a reasonable explanation. He claimed CK did not propose an alternative number, that he was "waiting for CK to be more reasonable"[308], and that "if CK is interested in half a million or a million, I think he should have said".[309]

180 I do not accept Patrick's explanation. CK had specifically asked Patrick and Patricia at the meeting on 25 June 2020 to propose an alternative number.[310] Although Patrick and Patricia's evidence was that a lower figure was possible, they ignored CK's request and did not even mention that they were willing to discuss this. It was somewhat disingenuous for Patrick to claim that CK ought to have suggested a figure of half a million or a million dollars when this was the amount *Patrick* believed was viable. Further, the clear impression they gave at the meetings was that they would not declare any dividends at all. I find that they were not willing to consider CK's request for a dividend or engage him honestly or constructively on the issue.

181 Indeed, Patrick had further opportunities to discuss the issue of dividends with CK. On 30 March 2021, about a year after his first request for dividends, CK sent Patrick an email indicating his intention to call a board

---

306 3AB370.

307 9 April 2024 Transcript at pp 216–217.

308 9 April 2024 Transcript at p 107, lines 21–22.

309 9 April 2024 Transcript at p 116 lines 9–10.

310 3AB358.

meeting to discuss the issue again.[311] Patrick and Patricia had earlier resolved to defer the issue for "6–12 months" and more than seven months had since passed. In Patrick's email reply dated 9 April 2021, he agreed that the COVID-19 situation and economic outlook had stabilised but continued to insist on the need to conserve cash.[312] Again, there was no offer to discuss or pay a lower amount of dividends. This is further evidence that Patrick had no intention of meaningfully engaging CK on the issue and was being less than forthright with him. CK has therefore established a breach of the Modified 2nd LE. My finding is fortified by Patrick's conduct in introducing the Growth Plan, discussed below.

The Growth Plan

(1) Background

182 In the context of the discussions on dividends, an issue arose between CK and Patrick on the future of LKE and the Group.

183 On 9 April 2021, in response to CK's request for dividends, Patrick replied to say that "the company should conserve cash so that it can invest in good property deals and business opportunities which are upcoming".[313] CK responded on 19 April 2021, saying that the points Patrick raised did not mean that dividends should not be declared, and asked Patrick to elaborate on what he meant by "good property deals" or "business opportunities".[314]

---

311 5AB101.

312 5AB99.

313 5AB99.

314 5AB97.

184 Patrick responded referring to "property opportunities" which he was exploring. He stated that "we may be able to find good value in property assets such as hotels and offices in light of the COVID-19 pandemic" and that "there is good demand for conservation shophouses as well as residential properties in Singapore".[315] Patrick ended his email by stating that "[i]f the board is keen to explore these opportunities, I will look for specific opportunities and present them to the board".[316]

185 In his reply dated 11 June 2021, CK said he "[does] not disagree that the Group should conserve cash to invest in good property deals and business opportunities which are upcoming" but emphasised that this did not imply that dividends should not be declared.[317] He stressed that it was all about "striking the right balance".[318] CK then highlighted that Patrick "only broadly mentioned generic asset classes" and it is "not clear [how] these opportunities require so much cash outlay that dividends should not be declared".[319] He urged Patrick to provide a "concrete plan" and proposed a board meeting to discuss the issue.[320]

186 In an email dated 30 June 2021, Patrick stated that he would present "a concrete and detailed plan".[321] He also asked CK to prepare his own plan and suggested that both plans be tendered to the Board so that there could be a

---

315 5AB96.

316 5AB96.

317 5AB286.

318 5AB286.

319 5AB286.

320 5AB286.

321 5AB283.

"meaningful" discussion.[322] Notably, the foregoing exchanges were made by both Patrick and CK in their emails under the header "Dividends".

187 This led to Patrick circulating the Growth Plan along with a proposal to purchase the Tras Street Property on 12 July 2021 discussed in detail below (at [182]–[187] below).[323]

(2) Whether there was a breach of the Modified 2nd LE

188 The Growth Plan was discussed at a board meeting on 23 July 2021.[324] CK argued that the Growth Plan was hastily put together to serve as an excuse to reject his request for dividends.[325] He pointed out that the proposals set out therein were broad and lacking in detail without any supporting analysis.[326] For instance, it proposed a 70-30 split of the funds to be invested in Singapore and Sydney without any explanation of how this split was derived and whether other countries were considered. In response, Patrick said that the 70-30 split of funds was just a "starting point" and it can always be "adjusted".[327] The Growth Plan was just a "guide",[328] and that "[the board] can put in more effort to improve on it".[329] Under cross-examination, Patrick acknowledged that the Growth Plan was "[his] thoughts…based on [his] experience"[330] and that it was a "guide … or

322 5AB283.

323 5AB296–5AB304.

324 5AB308–5AB315.

325 5AB323.

326 5AB323.

327 5AB326.

328 5AB329.

329 5AB327.

330 9 April 2024 Transcript at p 127 lines 11–12.

plan or whatever"[331] and that the "numbers…are [not] absolutely cast in stone".[332] This was in stark contrast to the "concrete and detailed plan" he had promised in his email of 30 June 2021.

189 Similarly, while Patricia acknowledged that CK "wants more details", she maintained that the Growth Plan was merely "a basis for discussion" and "nothing is set in stone".[333] The meeting concluded with Patrick and Patricia voting in favour of the Growth Plan.[334]

190 I note that CK's own view as expressed at the meeting was that the board should take the following steps:[335]

> 1. Allocate maybe six months to research into the economy and market;
> 2. Derive an optimal and acceptable return based on the new normal;
> 3. Prepare a risk analysis, including assets allocation ration, contingency plan and possible challenges and headwinds etc.;
> 4. Identify the markets, segments and asset classes supported by financials, exit strategy, investment holding period, capital required and feasibility studies.

In other words, CK acknowledged that it would take time and effort to come up with a proper strategy to deal with "the new normal". Therefore, I do not accept CK's argument that his views on "adjust[ing] and improv[ing] the Growth Plan" were not properly considered.[336] The Growth Plan was a broad plan which did

---

331 9 April 2024 Transcript at p 128 lines 1–4.

332 9 April 2024 Transcript at p 127 lines 22–23.

333 5AB328.

334 5AB329.

335 5AB324.

336 CK's Closing Subs at para 116.

not commit LKE or the Group to any specific strategy. Patrick and Patricia voting in favour of it does not evidence a failure to properly consider CK's views on the substance of the Growth Plan.

191 However, CK's true grievance was that Patrick and Patricia simply voted in favour of the Growth Plan at the meeting on 23 July 2021 "so that they could rely on that as a convenient excuse to refuse his request for dividends".[337] I agree. The Growth Plan was introduced by Patrick directly in response to CK repeating his request for dividends after the issue had been deferred for more than six months as per the earlier board resolution and after the effects of the pandemic had stabilised. It is telling that having voted in favour of the Growth Plan, neither Patrick nor Patricia led any evidence of what steps were subsequently taken to develop the Growth Plan or add flesh to its (very bare) bones.

192 More importantly, the Growth Plan was a distraction. It was *not* Patrick and Patricia's evidence that because they endorsed the Growth Plan, dividends could not be declared. In fact, their position at the hearing was that an amount lower than S$10m could be declared (see [176] above). As stated above, no explanation was given as to why they did not propose a lower amount or discuss that possibility with CK. I therefore find the Growth Plan was deployed as an excuse to brush off CK's request for dividends. This is consistent with my finding at [176] to [181] above that Patrick and Patricia were simply unwilling to honestly or constructively engage CK on the issue of dividends.

193 In this regard, I reject Patricia's assertion that the "only connection" between the Growth Plan and dividends is they were discussed and voted on at

---

337 CK's Closing Subs at para 116.

the same LKE board meeting.[338] The evidence is clear that they were inextricably linked by Patrick (see [182]–[187] above),

194 The Growth Plan is therefore further evidence that Patrick (and Patricia) were not dealing with CK openly and honestly, and of the breach of the Modified 2nd LE. Patrick's conduct is also strong evidence of the erosion of the trust and confidence which previously defined his relationship with CK.

195 For completeness, I note that the evidence in relation to dividends ends in July 2021. This action was filed on 19 April 2023, and it is trite that parties are entitled to adduce evidence of relevant facts occurring after the filing of this application (see O 15 r 16(4) of the Rules of Court 2021). In the circumstances, it would have been helpful to assess Patrick and Patricia's position on the dividend issue after July 2021, in particular in 2022 and 2023, when all COVID-19 restrictions had been lifted and the economy had not just stabilized but rebounded.

196 It is undisputed that dividends have to date not been declared,[339] since the last dividend payment in 2020 of $983,441.[340] Patrick's counsel stated that, to his knowledge, there have been no requests for dividends after July 2021,[341] but this is not an adequate explanation since CK had not withdrawn the request made in April 2020 and the only (apparent) reason given against the request was that Patrick and Patricia wanted to adopt a "wait-and-see" approach (see [154]

---

338 Patricia's Closing Subs at para 18.

339 CK's 1st Affidavit at para 55; 11 April 2024 Transcript at p 194, lines 20–25.

340 Statement of Agreed Facts at paras 27–28. Patrick accepts that this was a delayed payment that was already agreed upon in 2019 but belatedly paid out in 2020: see 11 April 2024 Transcript at p 20, lines 18–25.

341 11 April 2024 Transcript at p 194, lines 15–19.

above). However, given that neither party led any evidence on recent events, I did not take these matters into account.

The Tras Street acquisition

(1) Background

197 The Growth Plan included a proposal to purchase the Tras Street Property which had an asking price of S$12m ("Tras Street Acquisition").[342] This proposal was to be discussed at a board meeting on 23 July 2021.

198 At this meeting,[343] CK objected to the Growth Plan and the Tras Street Acquisition. Apart from his allegation that Patrick hastily put together the Growth Plan in order to justify blocking the issuance of dividends (see [188] above), CK also argued that there had been a sustained demand for shophouses since the end of 2020. This raised the question of whether the prices of conservation shophouses were currently on the uptrend, making it commercially unwise to enter the market.[344] Additionally, the proposal overlooked the fact that the Group already owned eight shophouses and it might be more prudent to diversify the Group's asset classes.[345]

199 In response, Patrick claimed that the Tras Street Property was "a pretty good value" at the asking price of S$12m:[346]

> ... it is a good property to go in; it is a fair price, shop houses have been very strong, he feels the Group would be able to

342 5AB300.

343 5AB323–5AB329.

344 5AB324.

345 5AB324.

346 5AB327.

> achieve a return of 12% p.a., exit in 5 years, hopefully at exit price of S$15mil. The Group can gear it up 60 to 70% LVR. There is a rent on the property at the moment. The rental will be able to cover property costs, maintenance costs and interests. For capital gain, the Group will structure it as an investment property. The Group should be able to get a return of 12%.

At the end of the meeting, Patrick and Patricia voted in favour of the Tras Street Acquisition, subject to a maximum price of S$12m.[347]

200 The purchase was completed on 14 December 2021 for a sum of S$11,768,888,[348] and required LKE to take a loan of around S$8.2m.[349]

(2) Whether there was a breach of the 1st LE

201 The Tras Street Acquisition was made at the time of COVID-19 when Patrick and Patricia were preaching caution and the need to conserve cash to meet the Group's liabilities.[350] The purchase was not essential to the Group and there is no evidence to suggest that the Tras Street Acquisition presented such an exceptional opportunity that it simply could not be missed.

202 Indeed, no evidence was led by Patrick or Patricia that the Tras Street Acquisition proved to be a sound commercial investment or that Patrick's projections were met. In any event, what is important is that the *manner* in which the Tras Street Acquisition was approved was yet another departure from the way CK and Patrick previously managed LKE. This was a new investment, and

---

347 5AB329.

348 5AB367.

349 5AB375.

350 5AB327; 9 April 2024 Transcript at p 74, lines 13–20.

in the past, where there was a disagreement, parties would resolve such issues by reaching a consensus, and failing that, either:

(a) make the investment on their own (see *eg*, the London Investment at [89]–[90] above); or

(b) make the investment under the 80:20 Arrangement (see [92] above).

203 However, Patrick once again departed from the established course of dealing by involving Patricia and having her vote decide the disagreement between him and CK. This constituted a breach of the 1st LE.

Whether there was a breakdown in mutual trust and confidence

204 An independent basis for invoking the just and equitable ground under s 125(1)(*i*) IRDA, is the breakdown of mutual trust and confidence between the parties (*Kathryn Ma* at [28]). I find that the evidence in respect of the incidents discussed above evinces such a breakdown between CK and Patrick. As explained above, Patrick had fundamentally changed the way LKE would be managed and had effectively relegated CK to a minority voice. Patrick also disregarded or paid little weight to CK's views, and saw fit to act without speaking to or consulting CK. There was ample basis to support CK's position that there was a breakdown and trust and confidence in their relationship. This fortifies my finding that the justice of the case requires that equity should intervene to grant CK relief.

205 I now turn next to consider one further complaint raised by CK which he says evinces a breakdown in mutual trust and confidence between him and Patrick.

Loan to TJLH

206 To recapitulate, this complaint relates to the Beichen Development – an industrial project where TJLH owns the underlying land. TJLH is wholly owned by Lian Huat Tianjin Eco-Park Investment Co Pte Ltd ("LHT"), and LKE has an indirect 60% stake in LHT (see [2(d)] above). The remaining 40% stake in LHT is owned by a company referred to as "Kestrel".[351] At the material time, Ms Sun Jingna ("Sun") was the Vice-President of TJLH,[352] and the LHT board of directors comprised CK, Patrick and Mr Tan Wee Han ("Wee Han") – who was appointed as Kestrel's representative.[353]

207 In brief, a contractor of TJLH ("Shantou"), obtained a judgment against TJLH for the sum of RMB25m.[354] As a result of negotiations, it was agreed that the judgment sum of RMB25m would be paid in stages. The second tranche sum of RMB7.5m was payable by 10 January 2020 ("Shantou Debt").[355]

208 CK testified that the management staff of TJLH explored options to raise the sum of RMB7.5m but none were feasible.[356] To prevent execution against TJLH's assets, CK borrowed the sum from an unnamed personal contact, who he claimed charged interest at 1.25% per month with no fixed repayment date (the "Anonymous Loan").[357] The Anonymous Loan is not evidenced in

---

351 5AB292; 5 April 2024 Transcript at p 121, lines 24–25.

352 CK's 1st Affidavit at para 122(a).

353 CK's 1st Affidavit at para 101; Patrick's 1st Affidavit at para 58; 5AB292; 5 April 2024 Transcript at p 2, lines 20–25; p 122, line 1.

354 5 April 2024 Transcript at p 25, lines 2–12.

355 3AB222 at para (c)(i); 5 April 2024 Transcript at pp 25–26.

356 CK's 1st Affidavit at para 108.

357 CK's 1st Affidavit at para 109.

writing.[358] CK claimed that a condition of the Anonymous Loan was that the lender must remain anonymous and the monies would be disbursed through CK.[359] With funds from the Anonymous Loan, the Shantou Debt was paid.[360]

(1) Whether Patrick knew about the Anonymous Loan before 13 October 2020

209 CK informed Patrick and Wee Han about the Anonymous Loan for the first time on 13 October 2020. In his email dated 13 October 2020, CK stated: "*As you know*, TJLH took a loan of RMB 7,500,000 from an anonymous lender in January 2020".[361] I find that CK inserted the words "As you know" to create the impression that he had already told CK and WH that the funds were from an anonymous lender.

210 At the hearing, CK claimed that Patrick had been told about the anonymous lender through Sun's email dated 27 March 2020.[362] That claim was not true. There was nothing in that email which referred to a loan from an anonymous lender. When that was pointed out to CK, he referred to the words "[t]he second project payment of RMB 7.5 million to [Shantou] was paid by our company through borrowed funds"[363] in Ms Sun's email and claimed that it was Patrick's "fault" for not picking up on the fact that "borrowed funds" referred to a loan from an anonymous lender.[364] That evidence was plainly contrived.

---

358 5AB393 at para 3.4.3.

359 CK's 1st Affidavit at para 109.

360 CK's 1st Affidavit at para 110.

361 5AB70.

362 5 April 2024 Transcript at pp 80–81.

363 3AB282.

364 5 April 2024 Transcript at p 88, lines 9–13.

211 Even if Patrick was aware the TJLH had borrowed the monies, the crux of the issue was that the lender was anonymous, and the evidence suggests that Patrick was only informed of this via CK's email of 13 October 2020.

212 CK also claimed that he told Wee Han about the Anonymous Loan before he sent his email dated 13 October 2020.[365] The contemporaneous documents do not support this. On 31 May 2021, Wee Han wrote to Patrick and CK to say that he first knew of the Anonymous Loan at the same time as Patrick (*ie*, through CK's email dated 13 October 2020).[366] In TJLH's brief to Allen & Gledhill LLP ("A&G") (discussed below at [220]), the contents of which CK agreed to,[367] it was also stated that "[Wee Han]'s position is that he only became aware that [TJLH] had taken a loan through [CK]'s email dated 13 October 2020".[368] When CK was confronted with this, he admitted that his evidence that he told Wee Han about the Anonymous Loan before 13 October 2020 was not true.[369]

213 The evidence is therefore clear that CK took the Anonymous Loan without informing Patrick or Wee Han and only informed them after the fact.

(2) Whether Patrick was deliberately obstructive

214 In the email of 13 October 2020, CK informed Patrick and Wee Han that the lender was in-principle agreeable to a discounted interest rate of 10% p.a. (0.83% per month) provided that the loan and the interest accrued to date was

---

365 5 April 2024 Transcript at p 10, lines 13–14.

366 5AB27.

367 CK's 1st Affidavit at paras 119–120.

368 5AB341.

369 5 April 2024 Transcript at p 19, lines 13–15.

paid off very shortly.[370] CK also informed them that one option he was prepared to discuss was for him to take over the loan by paying the lender and for TJLH to then enter into a loan agreement with him.[371]

215 CK accuses Patrick of embarking on obstructive conduct towards his proposal to take over the loan and that this evidenced the breakdown of the trust and confidence between them.

(A) PATRICK'S LIST OF QUESTIONS SENT ON 22 OCTOBER 2020

216 Patrick was concerned about CK's proposal to take over the Anonymous Loan citing his unease with not knowing who the counterparty was,[372] concerns about the propriety of the funds,[373] and the potentially severe consequences if CK's assessment of the lender was wrong.[374] To consider CK's proposal, Patrick asked for information about the Anonymous Loan. In his email on 22 October 2020, Patrick posed a list of 12 questions to CK, including the following:[375]

> 1. Who is the anonymous lender? As you say you have communicated with the lender, you must know who it is.
>
> 2. What is the relationship between TJLHEP and the anonymous lender? How did TJLHEP first come to find out about the

370 5AB70.

371 5AB70.

372 9 April 2024 Transcript at p 181, lines 17–20.

373 9 April 2024 Transcript at p 172, line 16.

374 9 April 2024 Transcript at p 180, lines 19–21.

375 5AB68–5AB69.

availability of the RMB 7.5 million loan from the anonymous lender?

3. Is there a loan agreement between TJLHEP and the anonymous lender? If so, please let me have a copy of the agreement.

4. When is the loan due to be repaid to the anonymous lender?

5. According to your email, the loan from the anonymous lender carries an interest rate of 15% per annum. Why is it so high?

...

217 CK took umbrage with this list,[376] and saw this as Patrick undermining his position and integrity. CK testified that Patrick should have picked up the phone to ask these questions in private,[377] and that there was no need to doubt what CK had said about the Anonymous Loan. That criticism is unwarranted. The 12 questions were not unreasonable. Patrick was entitled to ask for information as he was being asked to approve CK taking over the Anonymous Loan and entering into an agreement with TJLH. Further, CK was the only person intimately connected with the details of the Anonymous Loan – who else was Patrick going to ask? Significantly, when CK was asked whether it would be fair for Patrick to ask Mr Patrick Lim, the Group's Financial Controller, the same questions, CK stated: "Yes, of course".[378]

218 CK's real grievance was that Patrick should not ask him questions if Patrick "respect[ed]"[379] and "trust[ed]"[380] him and given "[CK's] standing in the community and society".[381] In other words, CK was not questioning the

---

376 CK's Closing Subs at paras 131–132.

377 5 April 2024 Transcript at p 67, lines 11–16.

378 5 April 2024 Transcript at p 76, lines 23–25.

379 5 April 2024 Transcript at p 77, lines 8–9.

380 5 April 2024 Transcript at p 66, lines 21–25.

381 5 April 2024 Transcript at p 78, lines 21–25.

substance of the questions, but that Patrick had the temerity to question him. This is evidence of CK's exaggerated view of his own position and authority – consistent with his evidence that he expected Patrick to always defer to him (see [104(a)] above).

(B) THE A&G OPINION

219 The parties decided to instruct A&G to advise on how best the matter could be resolved. At the LHT Board meeting on 13 January 2021, Patrick stated that "he is happy to abide by the lawyer's opinion on whether it is ok to accept an anonymous lender".[382]

220 For the next few months, CK, Patrick and Wee Han discussed the brief to A&G. It was eventually finalized and sent on 13 September 2021.[383] In this brief, A&G was asked to opine on the following issues:[384]

> 1. What are the issues which may arise under Mr CK Kho's proposal to "take over" [TJLH]'s loan from the "anonymous lender", under which he would pay the "anonymous lender" the principal and interest accrued under the loan and thereafter enter into a loan agreement with [TJLH] for the loan amount?
>
> 2. In particular, if [LHT] and [TJLH] agree to the proposal, will [LHT] and/or [TJLH] and/or their directors be in breach of any duties and/or be exposed to any liability, whether criminal or civil in nature, under the laws of Singapore and the PRC?
>
> 3. Apart from Mr CK Kho's proposal to "take over" the loan, what other options are available to [TJLH] to resolve the issue of the loan from the "anonymous lender" (including that of loan

382 5AB20.

383 5AB337 and 5AB341.

384 5AB342.

> documentation), particularly in view of the anonymous lender's insistence to remain anonymous?
>
> [emphasis in original omitted]

221 On 12 October 2021, A&G issued a draft opinion "for discussion" ("A&G Opinion").[385] It stated that:

> (a) on balance, it is unlikely that TJLH, LHT and their directors would be found to be in breach of their directors' duties or to be found criminally liable. However, the companies and their directors should fortify themselves against risks through the provision of suitable assurances from CK;[386] and
>
> (b) CK could provide assurances by way of a statutory declaration on the legitimacy of the lender and the source of funds. This would be sufficient to allow LHT, TJLH and their directors to proceed with CK's proposal to take over the Anonymous Loan by paying the principal and interest accrued and entering into a loan agreement with TJLH for the loan amount.[387]

222 On 18 November 2021, there was a Zoom meeting for CK and Patrick to discuss the A&G Opinion with A&G ("Zoom Meeting").[388] In an email sent on 6 December 2021, Patrick claimed that at the Zoom Meeting:

> (a) CK revealed that the anonymous lender had "sent" or "passed" the money to him and the moneys then moved from CK's company,

---

385 5AB389–5AB402.

386 5AB391 at para 1.3.1.

387 5AB391 at para 1.3.2.

388 5AB73–5AB75.

Khosland Management Pte Ltd ("Khosland"), to Shantou on 3 December 2021;[389] and

(b) A&G stated that it had been under the impression that money had been remitted directly to TJLH and if the anonymous lender did not remit any money to TJLH or Shantou, it would be difficult for the anonymous lender to make a legitimate argument that he had lent TJLH money.[390]

223 Patrick's statement of A&G's impression during the Zoom Meeting is inadmissible hearsay. More importantly, it is not consistent with the facts. It is clear from the A&G Opinion that A&G knew about the flow of funds. Paragraph 3.4.2(ii) of the A&G Opinion states that "the loan monies would be disbursed to [TJLH] *through* [CK]" [emphasis added].[391] There was nothing in the A&G Opinion which suggested that the funds would flow directly from the Anonymous Lender to TJLH. In fact, the minutes of a board meeting (which was sent to A&G for them to prepare their opinion) also contained a statement confirming that "the money will be disbursed to [CK]" (see [229] below).

224 In this regard, I find that when CK testified that he did not share the fund flow with Patrick and Wee Han before the Zoom Meeting because he was "waiting" for the "right opportunity" and "forum",[392] he was referring to the *details* of the fund flow (*ie*, the fact that the funds flowed through his company, Khosland). He was not referring to the fact that the funds were not *directly*

---

389 5AB74–5AB75.

390 5AB74.

391 5AB392 at para 3.4.2(ii).

392 5 April 2024 Transcript at p 95, lines 4–7.

transmitted from the Anonymous Lender to TJLH. As shown in the preceding paragraph, that was undisputed and clearly known to A&G.

225 After the Zoom Meeting, CK called for A&G to finalise their opinion.[393] CK stated that he was willing and able to produce a statutory declaration to confirm the propriety of the source of funds, in accordance with A&G's recommendation in the A&G Opinion.[394] On 1 December 2021, Wee Han responded to agree that the A&G Opinion be finalised.[395] However, despite his earlier position that he would abide by A&G's advice, Patrick refused to allow A&G to finalise the A&G Opinion.[396] Instead, he wanted A&G to revise their opinion to consider the following matters:[397]

(a) the option of a non-disclosure agreement;

(b) how should TJLH be protected against the risk of the anonymous lender claiming repayment from it; and

(c) whether TJLH should seek advice from Chinese lawyers.

226 CK responded that he did not agree with Patrick's proposal to expand the scope of the A&G Opinion, and asked A&G to allow him and Patrick to "confer internally and get back … on whether any changes are required to the [A&G Opinion]".[398] A&G noted CK's email and said they would "hold off and

---

393 CK's 1st Affidavit at para 126.

394 3AB409; 3AB413; 5AB438.

395 CK's 1st Affidavit at para 127.

396 CK's 1st Affidavit at para 129.

397 5AB434–5AB435.

398 5AB433.

await further instructions".[399] However, no further instructions were forthcoming.[400]

227 CK argues that Patrick was being unreasonable as the A&G Opinion had concluded that "on balance, [their] assessment is that on the facts available there would be insufficient grounds for a court to find that the companies and/or its directors would have 'reasonable grounds to suspect' that the Anonymous Loan monies were involved in or represent the proceeds of criminal conduct" [emphasis in original omitted].[401]

228 To explain his refusal to finalise the A&G Opinion, Patrick continued to raise issues regarding the Anonymous Loan. In an email sent on 6 December 2021, after the Zoom Meeting, he stated:[402]

---

399 5AB433.

400 5AB432.

401 5AB398 at para 4.22.

402 5AB73–5AB74.

> First, the premise on which [LHT] engaged A&G to provide an opinion was that TJLH had obtained a loan from an "anonymous lender".
>
> Now, however, it is not clear whether TJLH took any loan from any "anonymous lender".
>
> ...
>
> Therefore, it appears that there may in fact be no loan between the "anonymous lender" and [TJLH].
>
> If the position is that it was CK and not the "anonymous lender" who loaned the money to [TJLH], then that raises different issues which the company will have to consider.

229 Patrick was therefore questioning the very existence of the Anonymous Lender. Under cross-examination, Patrick claimed to have been "confused" because "in the beginning, [CK] was referring to taking over an anonymous loan",[403] which implied to him that the anonymous lender lent money directly to TJLH.[404] But that was clearly false as he had earlier been informed that the Anonymous Loan had been disbursed through CK. At a board meeting on 28 December 2020 convened to discuss the repayment of the Shantou Debt, the minutes recorded the following discussion:[405]

> Mr CK Kho explained that [TJLH] needed RMB 7.5M before CNY 2020 and it had no money to pay. The company sourced around for money and found that it was difficult to get financing, partially due to COVID-19 ...
>
> Mr CK Kho reached out to some of his contacts and found a lender who was willing to lend RMB 7.5M at an interest rate of 1.25% per month, with no fixed repayment date, on the condition that he will remain anonymous and *the money will be*

403 9 April 2024 Transcript at p 195, lines 22–25.

404 9 April 2024 Transcript at p 195, line 25; p 196, lines 1–3.

405 3AB448.

> *disbursed to Mr CK Kho.* Due to the timing and critical situation, these terms were accepted.
>
> [emphasis added]

230 Further, as mentioned above at [223], this was also reflected at paragraph 3.4.2(ii) of A&G's Opinion, which states that "the loan monies would be disbursed to [TJLH] through [CK]".[406]

231 When questioned further, Patrick eventually accepted that he was "aware that the loan that was extended to [TJLH] was disbursed not to [TJLH] directly but to [CK]".[407]

232 Patrick's conduct in claiming that he was not aware that the funds had not been paid directly by the Anonymous Lender to TJLH and questioning the existence of the Anonymous Loan is evidence of his unreasonable and obstructive conduct. Further, if he believed that CK (and not the Anonymous Lender) lent the monies to TJLH, he ought to have no concerns about TJLH entering into a loan agreement with CK to formalize the arrangement. I therefore find that Patrick was simply looking for excuses to delay or prevent regularizing the loan to TJLH.

233 The effect would be to prejudice CK – either CK would remain personally liable to the Anonymous Lender (if he did not repay the loan) or would be out of pocket (if he did). It bears reiterating that CK had assumed a personal liability to obtain funds to pay off the Shantou Debt and prevent legal execution against TJLH. One would expect Patrick to adopt a constructive approach to resolving the issue and have the loan properly assumed by TJLH.

---

406 5AB392 at para 3.4.2(ii).

407 9 April 2024 Transcript at p 197, lines 14–17.

While Patrick may initially have had some legitimate questions, the evidence suggested he was deliberately being obstructive, to the extent of expressing false concerns. This clearly evidences a breakdown in CK and Patrick's relationship.

Whether the breakdown in mutual trust and confidence was self-induced

234 The court must be careful to distinguish between cases where the breakdown was caused to *some extent* by the applicant's own conduct and where it is entirely self-induced or orchestrated to establish a ground for legal action (*Evenstar* at [31]). The former does not bar the applicant from remedy. In other words, the absence of the applicant's clean hands in this context will only act as a bar against relief where the applicant was *solely* responsible for the breakdown (*Ebrahimi* at pp 383–384; *Lau v Chu* [2020] UKPC 24 at [19]). If all the parties contributed to the poor state of relations, it would be wrong to deprive the applicant of relief simply because he was also "one of the causes of the current state of affairs" (*Re Lee Tung Co (Pte) Ltd and other matters* [2008] 1 SLR(R) 800 at [38]–[40] upheld on appeal in *Chow Kwok Chuen* at [43]).

235 Here, it may be fairly said that CK did contribute to his deteriorating relationship with Patrick. His evidence and demeanour in court revealed more than a hint of arrogance and entitlement. His evidence that he expected Patrick to always defer to him and to adjourn the Southern Cross Board Meeting without his asking are good illustrations of his attitude. His failure to respond to Patrick on the ITS Refurbishment and drip-feeding of information in relation to the Anonymous Loan only exacerbated matters. But the breakdown of the relationship was not entirely self-induced, and Patrick must accept a lion's share of the blame. He caused a fundamental change in the manner LKE was managed by involving Patricia and using her vote to ensure that his views prevailed in relation to the ITS Refurbishment and the acquisition of the Tras Street

Property. He was also less than forthright in his dealings with CK on the issue of dividends, and by using of the Growth Plan to deny CK his request. Patrick's conduct in relation to the Anonymous Loan also contributed to the breakdown of their relationship.

CK and Patrick's current relationship

236 The current situation is also relevant. It is undisputed that CK and Patrick's relationship has, since the above incidents, deteriorated further. Patrick accepts that his relationship with CK is currently "fractured" to a point that they regard each other as strangers.[408] They no longer engage in one-on-one conversations on WhatsApp, phone calls or in-person meetings; they no longer share any social gatherings; and even do not speak when they see each other in the lift.[409]

237 There is little or no prospect in CK and Patrick reconciling or re-establishing the working relationship they once had. Patrick's position that Patricia is entitled to participate in the management decisions of LKE effectively allows Patrick and Patricia to control LKE and locks CK in as a minority with little or no influence in its management. This is a complete departure from the way CK and Patrick have run LKE and dealt with each other in the 14 years following the 2005 Buyout.

238 In the circumstances, I find that there has been a breach of CK's legitimate expectations in the manner LKE is managed as well as a clear and irretrievable breakdown in the relationship of mutual trust and confidence

---

408 9 April 2024 Transcript at p 198, lines 3–16.

409 9 April 2024 Transcript at p 198, lines 3–16.

between CK and Patrick. These, separately and together, make it just and equitable to wind up LKE.

Conclusion

239 In summary, LKE is akin to a quasi-partnership, and was managed based on a relationship of mutual trust and confidence between Patrick and CK. This relationship acts as an equitable constraint on Patrick's exercise of his strict legal rights and allows CK to rely on legitimate expectations formed by the conduct of the parties in relation to how LKE is to be managed.

240 CK had the following legitimate expectations:

(a) that he and Patrick would make business decisions and resolve business disagreements in LKE and the Group collectively without the involvement of Patricia (*ie*, the 1st LE); and

(b) that his views would be properly considered (*ie*, the Modified 2nd LE).

241 These legitimate expectations were breached as follows:

(a) the 1st LE was breached when Patrick convened the Southern Cross Board Meeting and used Patricia's vote to push through the ITS Refurbishment, and subsequently, the Tras Street Acquisition, marking a drastic change from Patrick and CK's long-established decision-making process;

(b) the Modified 2nd LE was breached by Patrick and Patricia's failure to properly consider CK's views before authorizing the ITS Refurbishment; and

(c) the Modified 2nd LE was breached by Patrick and Patricia's failure to properly consider CK's request for dividends. They failed, despite CK's request, to propose or raise the possibility of declaring an amount lower than S$10m even though they admitted that this was possible. They also used the Growth Plan as an excuse to reject CK's request.

242 These breaches of CK's legitimate expectations sufficiently established the unfairness necessary to invoke the just and equitable ground under s 125(1)(*i*) IRDA. The unfairness arises from CK previously having an equal say in the management of LKE to effectively being relegated to a minority voice whose views are given little or no weight. It would be unfair to insist that CK remains trapped in LKE in the current circumstances where Patrick and Patricia can simply out-vote him and do as they wish, as they have done.

243 Further, these incidents evince an irretrievable loss of mutual trust and confidence between CK and Patrick. Indeed, the crushing of CK's expectation of resolving all issues informally with Patrick, without the involvement of Patricia as the deciding vote, is the clearest indication of that breakdown. Likewise, the failure to properly consider CK's views. Patrick most recently demonstrated this breakdown through his obstructiveness in contriving concerns to prevent TJLH from entering into a loan agreement with CK to deal with the Anonymous Loan. The cumulative effect of these incidents has resulted in their current dilapidated relationship where they treat each other as strangers.

244 I therefore find that it is just and equitable to wind up LKE.

Buyout order

245 Despite CK and Patrick's differences, LKE and the Group is financially viable. It remains for me to consider whether there are options other than the draconian remedy of winding up LKE.

246 CK was willing to consider such options. On 27 June 2022, CK made an open offer to Patrick and Patricia for a split in the following terms:[410]

> 7. ... I am therefore making an open offer for one or both of you to buy out my shares in LKE and its subsidiaries and associated companies, for the sum of **S$155 million**. As a demonstration of my good faith and the fairness of my offer, I am likewise prepared to buy out Patrick's shares in LKE and its subsidiaries and associated companies at the same price.
>
> 8. Alternatively, I am prepared to have the value of LKE assessed by an independent valuer (who is to be jointly appointed by all parties), and such valuation shall be final and binding on all parties, save for patent fraud and error. As mentioned, I am willing to either buy out Patrick's 49% shareholdings or sell my 49% shareholding, at the buy-out price, which shall be fixed at the sum corresponding to 49% of LKE's value, as determined by the independent valuer. ...
>
> 9. Failing which, I reserve my right to make an application for LKE to be wound up.
>
> [emphasis in original]

247 Patrick replied on 8 August 2022, rejecting CK's offer of S$155m as "grossly inflated", and that he was "not interested in selling [his] shares".[411] However, Patrick did not respond to CK's proposal to independently value the shares – it appears that he was not willing to consider any option other than to keep CK in his minority position.

---

410 5AB489.

411 5AB495.

248 Section 125(3) IRDA gives the court the discretion to make an order for CK or Patrick to buy the other out. However, I find that it is not appropriate to make such an order in this case given the Group's structure, and that many of the subsidiaries are not wholly-owned by LKE, including:

(a) the 80:20 Companies;

(b) Lian Huat Realty, in which Patricia has a 76.67% direct interest;[412]

(c) Kengfu Development Pte Ltd, in which CK and Mdm Saw collectively hold a 24.29% stake;[413] and

(d) Kengfu Investments Pte Ltd, in which CK, Patrick, Patricia, and other Kho family members collectively hold a 7.8% stake in.[414]

249 Therefore, ordering a buyout in respect of LKE alone would not result in a clean split between CK and Patrick and his family.

250 Nonetheless, given that the Group remains viable and the liquidation of LKE will likely adversely affect its subsidiaries to the detriment of other persons and businesses, I will give parties time to reach a compromise before the winding up order takes effect (*Evenstar* at [48]; *Chow Kwok Chuen* at [49]).

251 I therefore order that LKE be wound up, but that this order be stayed for a period of 30 days. Upon the expiry of this period, if the parties are unable to settle matters amicably, the winding-up order will take effect immediately. If the parties reach an agreement but cannot implement it fully, they are at liberty

412 CK's 1st Affidavit at para 7(d).

413 CK's 1st Affidavit at para 6(a).

414 CK's 1st Affidavit at para 6(h).

to apply for an extension of time. If the parties settle their dispute, the winding-up order will cease to have effect from the date of the settlement. There shall be liberty to apply, including on the identity of the liquidators in the event the winding up is to take effect.

252 Unless the parties arrive at an amicable resolution or other circumstances prevail, LKE will join the myriad of established family businesses consigned to the history books. The pleas of the Patriarch, so movingly captured in the Statement of Wishes, for LKE to provide for future generations of the Kho family did not survive the second generation. Perhaps there is much wisdom in what King Arthur observed, that the adage "blood is thicker than water" was invented by undeserving relatives.[415]

253 I will hear parties separately on costs.

Hri Kumar Nair
Judge of the High Court

Koh Swee Yen SC, Aw Wen Ni, Lin Chunlong, Andrea Ang, and Darius Tan (WongPartnership LLP) for the claimant;
defendant unrepresented;
Jaikanth Shankar, Tan Ruo Yu, Bryce Yeo, and Tanmanjit Singh (Davinder Singh Chambers LLC) for the first non-party;
Zhuo Jiaxiang and Priscilla Chia (Providence Law Asia) for the second non-party.

---

415 Alan Jay Lerner, *Camelot* (1960).