

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

[2025] SGHC 52

Originating Application No 1201 of 2024

In the matter of Envy Hospitality Holdings Pte Ltd (in members' voluntary
liquidation)

Between

Wong Joo Wan (as liquidator
of Envy Hospitality Holdings
Pte Ltd (in members'
voluntary liquidation))

... Claimant

And

- (1) Lim Siong Heng, Raymond
- (2) Invidia Capital Pte Ltd (in
creditors' voluntary
liquidation)

... Defendants

JUDGMENT

[Insolvency Law — Administration of insolvent estates — Liquidator applying to court to have questions determined — Whether court should exercise its power to determine the questions — Whether determination of question is just and beneficial and of advantage to liquidation — Section 181 Insolvency, Restructuring and Dissolution Act 2018]

[Insolvency Law — Winding up — Proof of debt — Whether liquidator's decision to accept/reject proofs of debt should be affirmed]

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Wong Joo Wan (as liquidator of Envy Hospitality Holdings Pte Ltd (in members' voluntary liquidation))

v

Lim Siong Heng Raymond and another

[2025] SGHC 52

General Division of the High Court — Originating Application No 1201 of 2024

Audrey Lim J
3, 18 March 2025

27 March 2025

Judgment reserved.

Audrey Lim J:

1 Envy Hospitality Holdings Pte Ltd (“EHH”) is in members’ voluntary liquidation. The liquidator is Mr Wong Joo Wan (“Liquidator”). Mr Lim Siong Heng, Raymond (“Lim”) and Invidia Capital Pte Ltd (“ICPL”) each submitted a proof of debt (“POD”). The Liquidator rejected Lim’s POD and admitted ICPL’s POD. HC/OA 1201/2024 (“OA 1201”) is the Liquidator’s application, pursuant to s 181(1)(a) of the Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed) (“IRDA”), for the court to affirm his two decisions.

2 After hearing parties on 3 March 2025, counsel for Lim (“Mr Tan”) filed a letter to court (“D1’s Letter”) raising further arguments in relation to OA 1201. I do not take kindly to Mr Tan’s belated attempt to present further

arguments, some of which were entirely new, without first obtaining the court's permission. Nevertheless, I gave the Liquidator an opportunity to respond and considered both parties' further arguments in coming to my decision.

Background

3 EHH was incorporated on 19 June 2020. Its shareholders are ICPL and Lim, with approximately 60% and 40% of the shares respectively. Lim was a director of EHH since its incorporation. ICPL was incorporated on 15 August 2019 and Mr Ng Yu Zhi ("Ng") owns 80% of its shares. Ng was a director of ICPL since its incorporation and became its managing director on 25 June 2020. Ng was declared a bankrupt on 22 December 2022 and he is facing numerous criminal charges over his alleged involvement in a nickel trading scam.¹

4 ICPL was placed in provisional liquidation on 11 May 2021, and subsequently in creditors' voluntary liquidation on 25 May 2021. On 14 July 2022, EHH was placed in members' voluntary liquidation. The Liquidator of EHH is also the liquidator of ICPL.²

5 On around 20 June 2022, Lim submitted his POD for \$173,880.03. On 15 July 2022, ICPL submitted its POD for \$340,368.78.³ The Liquidator subsequently rejected Lim's POD and accepted ICPL's POD.

¹ Liquidator's affidavit dated 15 November 2024 ("Liquidator's Affidavit") at [5] and [9], and pp 25–26 and 36–38.

² Liquidator's Affidavit at [6] and [8].

³ Liquidator's Affidavit at pp 51–52 and 132–133.

Liquidator’s application under s 181(1)(a) of the IRDA

6 On 31 July 2024, the Liquidator requested for Lim to confirm whether he objected to the Liquidator’s rejection of his POD and whether he intended to apply to court to challenge the Liquidator’s decision. On 15 August 2024, Lim informed the Liquidator that he disagreed with the Liquidator’s decision.⁴ However, he has not applied to the court to challenge the Liquidator’s decision. The Liquidator claims that, as there is seemingly no prescribed deadline for Lim to file such a challenge in a members’ voluntary liquidation, it would leave open the possibility of Lim bringing a challenge in the undetermined future. The Liquidator submits that, by seeking the court’s determination on the correctness of his rejection of Lim’s POD, he can complete the administration of EHH’s affairs without concern of such a potential challenge.⁵

7 As for ICPL’s POD, the Liquidator claims that it was objectively reviewed and adjudicated, but he is mindful of the perceived potential conflict of interest in view of his role as the liquidator of both ICPL and EHH. Hence, it would be just and beneficial and of advantage to the liquidation of EHH for the court to confirm that his decision to admit ICPL’s POD was valid, to prevent and resolve any potential allegation of bias or conflict of interests. The Liquidator submits that this will ensure transparency and reinforce confidence in the integrity of the liquidation process of EHH.⁶

8 The Liquidator thus filed OA 1201 pursuant to s 181(1)(a) of the IRDA for the court to determine whether his decisions to reject Lim’s POD and accept

⁴ Liquidator’s Affidavit at [18]–[19].

⁵ Liquidator’s Affidavit at [27]–[32]; Liquidator’s Written Submissions dated 24 February 2025 (“CWS”) at [24(a)].

⁶ Liquidator’s Affidavit at [34]–[35]; CWS at [23]–[24].

ICPL’s POD were made correctly, and to provide Lim an avenue to make submissions to the court regarding his POD.

9 Section 181 of the IRDA states as follows:

(1) The liquidator or any creditor or contributory may apply to the Court —

(a) to determine any question arising in the winding up of a company; or

...

(2) The Court, if satisfied that the determination of the question ... is just and beneficial, may —

(a) accede wholly or partially to any such application on such terms and conditions as the Court thinks fit; or

(b) make such other order on the application as the Court thinks just.

10 In *Lin Yueh Hung (as liquidators of CST South East Asia Pte Ltd (in members’ voluntary liquidation)) and another v Andreas Vogel & Partner, Rechtsanwaelte, AV & P Legal LLP and others* [2024] SGHC 31 (“*Lin Yueh Hung*”) at [31], Goh Yihan J held that it is appropriate for an applicant to bring an application under s 181(1) of the IRDA if he can show that it will be “of advantage in the liquidation”. Goh J observed that r 132(1) of the Insolvency, Restructuring and Dissolution (Corporate Insolvency and Restructuring) Rules 2020, which pertains to the deadline for creditors to challenge the liquidator’s rejection of their POD, did not apply to a members’ voluntary liquidation. Thus, there is an apparent lack of a time bar against a creditor’s right of appeal against a liquidator’s rejection of his POD in a members’ voluntary liquidation, which could lead to uncertainty in the liquidation potentially arising from a creditor challenging the liquidator’s decision in the undetermined future. Goh J was of the view that a liquidator in such a scenario would be able to show that it is “of advantage in the liquidation” to bring an application under s 181(1)(a) of the

IRDA for the court to determine whether the liquidator's decision was correct (*Lin Yueh Hung* at [33]–[36]). It should be noted that the requirement that the application be of advantage in the liquidation was already endorsed by the Court of Appeal in *Sinfeng Marine Services Pte Ltd v Taylor, Joshua James and another and other appeals* [2020] 2 SLR 1332 at [47] in relation to s 310 of the Companies Act (Cap 50, 2006 Rev Ed), which was subsequently repealed and re-enacted as s 181 of the IRDA.

11 In the present case, I find that it is just and beneficial, and of advantage to the liquidation, for the court to determine the questions raised in OA 1201 in relation to both Lim's and ICPL's PODs.

12 The circumstances pertaining to Lim's POD are similar to those in *Lin Yueh Hung*, where there is an apparent lack of a time bar for Lim to challenge the Liquidator's decision to reject his POD. The determination of whether the Liquidator's decision was correct will avert any uncertainty to the liquidation that can potentially arise if Lim decides to challenge the Liquidator's decision in the undetermined future.

13 As for ICPL's POD, it has been held that in general, a liquidator of one company must not exercise his powers for the benefit or gain of another company of which he is liquidator. An actual or potential conflict of duties may arise in the liquidator exercising his power to adjudicate upon and admit a POD in the liquidation of a company which is submitted by another company of which he is also the liquidator. Where this occurs, an issue of propriety may tend to exist (*In the Matter of Gregory Paul Quin as liquidator of Flexi Staff Pty Ltd (in liquidation)* [2023] WASC 362 at [21]). This is essentially part of the wider general principle that a liquidator must maintain independence and act fairly in assessing a proof of debt (*Fustar Chemicals Ltd (Hong Kong) v*

Liquidator of Fustar Chemicals Pte Ltd [2009] 4 SLR(R) 458 (“*Fustar*”) at [22]). Hence, where a liquidator of a company (“X”) also acts as a liquidator of another company (“Y”) which has submitted a POD against X, his decision to approve the POD submitted by Y may be subject to criticism and challenge. This would thus be another instance where it would be just and beneficial for the court to scrutinise the liquidator’s decision and determine if it was correct.

Lim’s proof of debt

14 I turn to Lim’s POD. On around 20 June 2022, Lim submitted his POD comprising the following items:⁷

- (a) unpaid salary and Central Provident Fund (“CPF”) contributions from May to December 2021 of \$128,250 (“Salary Claim”);
- (b) two months’ bonus and CPF contributions of \$35,100 (“Bonus Claim”); and
- (c) encashment for unutilised leave of \$10,530.03 (“Encashed Leave Claim”).

15 When Lim submitted his POD to the Liquidator, he provided the following supporting documents. First, a Letter of Appointment dated 19 June 2020, offering Lim employment with EHH as “Managing Partner” from that date, with a monthly basic salary of \$15,000 with CPF contributions (“2020 LOA”). The 2020 LOA was signed by Ng, who was then the managing director

⁷ Liquidator’s Affidavit at [13]–[14] and pp 51–52.

of EHH. Second, Lim provided his payslips from February to April 2021. It is undisputed that no payslips from May to December 2021 were ever provided.⁸

Background to Lim’s claim

16 I set out the context for the Liquidator’s rejection of Lim’s POD.

17 The Liquidator claims that in around July 2021, Lim had represented to the CPF Board (“CPF Board”) that EHH had ceased operations and no longer had any employees with effect from 30 April 2021. Apparently, Lim made the representation to avoid potential liability as a director of EHH, as EHH was then unable to make CPF contributions because its bank accounts had been closed by the banks.⁹

18 However, Lim’s POD (which included claims for unpaid salary from May to December 2021) appeared to contradict his previous representation to the CPF Board. Thus, on 19 July 2023 and again on 24 August 2023, the Liquidator asked Lim to clarify whether he had ceased employment with EHH with effect from 30 April 2021 or whether he remained employed until December 2021.¹⁰ On 11 and 24 August 2023, Lim replied to state that from May to December 2021, he was still employed at EHH to continue discharging his statutory obligations and fiduciary duties as the managing director and company director

⁸ Liquidator’s Affidavit at [17(a)(i)], p 57 (Liquidator’s grounds for rejecting Lim’s POD (“Liquidator’s Grounds”) at [1] and [2]) and pp 68–83; Minute Sheet dated 3 March 2025 (“3/3/25 Minute Sheet”).

⁹ Liquidator’s Affidavit at [17(a)(ii)], p 57 (Liquidator’s Grounds at [5]–[6]), pp 85–91 and 117–118; Lim’s affidavit dated 27 January 2025 (“Lim’s Affidavit”) at [30]–[32] and [39]–[40].

¹⁰ Liquidator’s Affidavit at [17(a)(iii)], p 58 (Liquidator’s Grounds at [8] and [10]) and pp 95–97 (Liquidator’s 19 July 2023 and 24 August 2023 e-mails to Lim).

of EHH. Lim further stated that EHH had been unable to pay his salary for the eight months as there was no longer any functioning bank account.¹¹

19 On 2 October 2023, the Liquidator informed Lim that he was concerned the CPF Board might levy penalties against EHH for a late or false declaration in view of Lim's previous representation to the CPF Board that he was no longer EHH's employee from 30 April 2021, and that the Liquidator might have to hold Lim responsible for any such penalties. The Liquidator requested Lim to seek clarification from the CPF Board as to whether it would be taking any action against EHH given Lim's earlier representation.¹²

20 Then, in subsequent correspondence among Lim, the CPF Board and the Liquidator, Lim stated in an e-mail dated 2 January 2024 addressed to the CPF Board ("Lim's 2/1/24 E-mail") as follows:¹³

(a) There was no falsehood or intentional misrepresentation. The closure of EHH's bank accounts meant that EHH was unable to pay Lim's salary and CPF contributions and that he would be liable for charges from the CPF Board if he remained employed by EHH without making the necessary CPF contributions.

(b) Whilst Lim did resign in April 2021 to avoid the CPF penalties, he "immediately 'resumed work' from May onwards by entering into [a]

¹¹ Liquidator's Affidavit at [17(a)(iv)], p 58 (Liquidator's Grounds at [12]), pp 94–95 (Lim's 24 August 2023 e-mail to the Liquidator) and p 96 (Lim's 11 August 2023 e-mail to the Liquidator).

¹² Liquidator's Affidavit at [17(a)(iv)], p 58 (Liquidator's Grounds at [9] and [13]) and pp 93–94 (Liquidator's 2 October 2023 e-mail to Lim).

¹³ Liquidator's Affidavit at [17(a)(v)], p 58 (Liquidator's Grounds at [15]) and pp 101–102 (Lim's 2/1/24 E-mail).

new employment with [EHH] under the agreement that [he would] only be paid retrospectively when [EHH's] new bank account is set up and running.”

21 The Liquidator claims that prior to Lim's 2/1/24 E-mail, he was not informed by Lim, or otherwise aware, of any agreement between EHH and Lim where Lim would be paid retrospectively when EHH's new bank account was set up. On 14 February 2024, the Liquidator requested Lim to produce the agreement mentioned in Lim's 2/1/24 E-mail (the “New Agreement”).¹⁴

22 On 16 February 2024, Lim e-mailed the Liquidator (“Lim's 16/2/24 E-mail”) attaching the New Agreement. Lim informed the Liquidator that the New Agreement was “hastily prepared in the chaotic days of mid 2021 following the closures of [EHH's] bank accounts, and subsequently forgotten as [he] busied [himself] with moving out of the old [EHH] office to continue clearing up the mess.”¹⁵ The New Agreement was essentially a purported Letter of Appointment dated 29 April 2021 signed by Lim as managing partner of EHH (“2021 LOA”). The 2021 LOA states that Lim was employed as interim managing director of EHH with effect from 1 May 2021, with a monthly basic salary of \$15,000 with CPF contributions.¹⁶

23 The Liquidator responded to Lim on 27 February 2024 to state that: (a) this was the first time the Liquidator had sight of the New Agreement or the 2021 LOA; and (b) the 2021 LOA was issued by Lim as managing partner of

¹⁴ Liquidator's Affidavit at [17(a)(vi)], p 59 (Liquidator's Grounds at [17]–[18]) and pp 112–113 (Liquidator's 14 February 2024 e-mail to Lim).

¹⁵ Liquidator's Affidavit at [17(a)(vii)], p 59 (Liquidator's Grounds at [18]), p 111 (Lim's 16 February 2024 e-mail to the Liquidator).

¹⁶ Liquidator's Affidavit at pp 121–127 (2021 LOA).

EHH on the one hand and accepted by Lim as an employee on the other hand, and there might be a potential conflict of interest. The Liquidator queried Lim as to whether the then directors of ICPL had consented to the purported 2021 LOA issued by EHH to Lim. The Liquidator also asked Lim for a copy of the resignation letter in respect of his resignation from EHH in April 2021.¹⁷

24 Also on 27 February 2024, Lim replied essentially as follows: (a) he could not recall whether he had sought the permission of ICPL’s directors for the 2021 LOA as none of them were directors of EHH; (b) he was already the managing director before he resigned and so it was redundant to have to ask ICPL’s directors for permission to reassume his role; and (c) ICPL’s directors were also not informed of his prior resignation.¹⁸

25 On 28 February 2024, Lim then e-mailed the Liquidator a copy of his resignation letter. This resignation letter dated 1 February 2021 was addressed to Ng to tender Lim’s resignation as managing partner of EHH with effect from that date, and to state that his last official date with EHH would be on 30 April 2021 (the “Resignation Letter”).¹⁹

26 On 31 July 2024, the Liquidator sent Lim the Notice of Rejection of Proof of Debt with his detailed grounds for rejecting Lim’s POD enclosed. On 15 August 2024, Lim informed the Liquidator that he disagreed with the latter’s

¹⁷ Liquidator’s Affidavit at [17(a)(vii)]–[17(a)(viii)], pp 59–61 (Liquidator’s Grounds at [18]–[20]) and pp 110–111 (Liquidator’s 27 February 2024 e-mail to Lim).

¹⁸ Liquidator’s Affidavit at [17(a)(ix)], p 61 (Liquidator’s Grounds at [21]) and pp 109–110 (Lim’s 27 February 2024 e-mail to the Liquidator).

¹⁹ Liquidator’s Affidavit at [17(a)(vii)], p 59 (Liquidator’s Grounds at [18]), p 109 (Lim’s 28 February 2024 e-mail to the Liquidator) and p 120 (Resignation Letter).

decision. The Liquidator then told Lim that he would make an application to the court to determine whether his decision to reject the POD was made correctly.²⁰

27 After OA 1201 was filed on 15 November 2024, Lim deposed an affidavit on 27 January 2025 where he claimed as follows:²¹

(a) Sometime in 2021, Ng was charged with perpetrating investment frauds through his other companies in Singapore. As EHH was linked to Ng, major banks in Singapore closed EHH's business accounts and this resulted in employees (including Lim) not being paid their salaries.

(b) As a director of EHH, Lim owed obligations to ensure the fulfilment of employees' CPF contributions, and failure to do so might result in him facing prosecution by the CPFB. Lim was advised by the CPFB that if EHH was unable to pay CPF contributions, he would then have to resign from EHH.

(c) At the material time, Lim was trying to keep EHH's food and beverage business afloat and to resolve the mess for the sake of the employees. He did not have the time nor presence of mind to seek legal advice pertaining to the CPFB's position and he simply followed the CPFB's advice to resign as EHH had no bank account to pay his salary.

(d) To address the issue that the CPFB had raised, he considered deferring the payment of his salary until such time that EHH could regain access to its bank accounts. Thus, on 29 April 2021, he prepared the 2021 LOA. The 2021 LOA was intended to be a seamless transfer of

²⁰ Liquidator's Affidavit at [16], [18]–[20], pp 54–55 (Liquidator's 31 July 2024 letter to Lim) and pp 56–130 (Notice of Rejection of Proof of Debt and Liquidator's Grounds).

²¹ Lim's Affidavit at [22]–[24] and [30]–[42].

his employment under the 2020 LOA, save that his salary for the duration of the 2021 LOA would be deferred. This deferment was expressly provided in the 2021 LOA, in that Lim’s salaries would be accrued and paid to him when the Company was in a position to do so.

(e) Since May 2021, Lim was the only employee left in EHH. Thus, on 8 July 2021, he signed the Resignation Letter which he backdated to 1 February 2021 to ensure that he would have “completed” his notice period by the commencement of the 2021 LOA.

(f) Lim finally stopped working for EHH in around December 2021, after a buyer was secured for EHH’s food and beverage business.

Applicable principles

28 As Lim is the purported creditor for the purposes of the disputed debts in his POD, he bears the burden of proving the debts on a balance of probabilities (*Fustar* at [13]). This is not disputed by Mr Tan. The parties also do not dispute that the court deals with the application *de novo*.²²

29 In this regard, I find that Lim has failed to discharge the burden of proving the claims in his POD on a balance of probabilities. Contrary to Mr Tan’s submission,²³ the fact that Lim deposed (and swore) the truth of his case is, in itself, insufficient to discharge Lim’s burden of proof in the present case. I address each of Lim’s claims in turn.

²² 3/3/25 Minute Sheet.

²³ D1’s Letter at [3(1)].

Salary Claim

30 I deal first with Lim’s Salary Claim for unpaid salary from May to December 2021, which Mr Tan accepts is made pursuant to the 2021 LOA. Lim also relies on the 2021 LOA to support that he was employed by EHH as interim managing director from May to December 2021.²⁴

31 The Liquidator claims that Lim signed the 2021 LOA after submitting his POD to support his claims therein and that Lim was thus not in fact contractually employed by EHH from May 2021.²⁵ While Lim claims that the Liquidator has provided no direct evidence to show that the 2021 LOA was signed on a date other than 29 April 2021,²⁶ the evidence supports that the 2021 LOA was not signed on that date. It bears remembering that Lim has the burden of proving the claims in his POD. In this regard, the evidence leads me to conclude on balance that the 2021 LOA was only signed after the Liquidator asked Lim for further documents to support his claim that he remained employed by EHH from May to December 2021. I elaborate.

32 Lim claims he prepared and signed the 2021 LOA on 29 April 2021, to provide a seamless transfer of his employment under the 2020 LOA to his new employment under the 2021 LOA.²⁷ The “Employee’s Acknowledgement” section in the 2021 LOA showed Lim’s signature and that he had written the date as “29/4/21”.²⁸ But on 29 April 2021, *Lim had not resigned as managing*

²⁴ Lim’s Affidavit at [35] and [54]; 3/3/25 Minute Sheet.

²⁵ CWS at [55]–[56]; Liquidator’s letter dated 18 March 2025 (“C’s Letter”) at [6]–[7]; 3/3/25 Minute Sheet.

²⁶ D1’s Letter at [3(1)] and [3(3)]; 3/3/25 Minute Sheet.

²⁷ Lim’s Affidavit at [35]; 3/3/25 Minute Sheet.

²⁸ Liquidator’s Affidavit at p 127.

partner under the 2020 LOA. Lim intimated his intention to resign only on 8 July 2021. This is clear from his e-mail to the CPFB on that date, where he informed the CPFB for the first time that he would resign and requested a staff from his consultancy firm, Ms Pauline Tan, to “effect [his] resignation” (“Lim’s 8/7/21 E-mail”). Lim also deposed that he signed the Resignation Letter only on 8 July 2021, but backdated it to 1 February 2021 to ensure that he would have “completed” his notice period under the 2020 LOA by the date the 2021 LOA purportedly commenced.²⁹ I find it strange that Lim would have executed a new employment contract (*ie*, the 2021 LOA) some *two months before* he tendered his resignation under his then employment contract (*ie*, the 2020 LOA). This casts doubt on his story that he executed the 2021 LOA in April 2021.

33 It is not enough for Mr Tan to claim the above is a “non-issue”.³⁰ The odd sequence of events is clearly relevant to assessing Lim’s credibility. It made no sense for Lim to execute the 2021 LOA in April 2021, to provide a “seamless transfer” of his employment from the 2020 LOA, when he had not (in April 2021) intimated a desire to resign under the 2020 LOA and the 2020 LOA thus remained effective. If Lim’s story were to be believed, he had two employment contracts in existence in May and June 2021 (until he resigned from employment under the 2020 LOA in July 2021 and backdated his resignation to February 2021) – one as Managing Partner and the other as Interim Managing Director. Some key terms of the employment contracts were also different. It is unclear how Lim’s action led to a “seamless transfer” of his employment from the 2020 LOA to the 2021 LOA. Further, if there was a “seamless transfer” of his employment from the 2020 LOA (thus rendering the 2020 LOA superseded),

²⁹ Liquidator’s Affidavit at p 86 (Lim’s 8/7/21 E-mail); Lim’s Affidavit at [41].

³⁰ D1’s Letter at [4].

there would have been no need to inform the CPFB in July 2021 that he would resign (under the 2020 LOA), or to procure a Resignation Letter to that effect and only some two months *after* the purported execution of the 2021 LOA.

34 Next, Lim stated that the CPFB had informed him that he could be prosecuted as director of EHH if EHH did not pay its employees' CPF contributions, and that he should resign if EHH was unable to do so (see [27(b)] above). Lim claims that to address the issue the CPFB had raised, he considered deferring the payment of his salary and he executed the 2021 LOA in April 2021 to give effect to this plan.³¹ This implies that the CPFB's advice, which Lim purportedly acted on, precedes 29 April 2021. But this is not borne out by the evidence. On 28 June 2021, the CPFB e-mailed Lim, reminding him to "make arrangement to pay the outstanding CPF Contribution and late payment interest by 6 July 2021".³² A telephone call between them then took place between 6 and 8 July 2021. After that call, Lim informed the CPFB in Lim's 8/7/21 E-mail that "[f]urther to my teleconversation, I will resign from EHH according to the month in question so there will be no more salary owing and hence no CPF contribution payable".³³

35 The above correspondence indicates that the CPFB's advice, which Lim claims he acted on, took place sometime between 28 June and 8 July 2021. It is therefore contradictory for Lim to claim that he executed the 2021 LOA in April 2021 in reliance on the CPFB's advice. These contradictions bolster my view that Lim's story is not credible. Mr Tan's submission, that "the CPF issue was

³¹ Lim's Affidavit at [34]–[35].

³² Liquidator's Affidavit at pp 90–91 (CPFB's 28 June 2021 e-mail to Lim).

³³ Liquidator's Affidavit at p 86 (Lim's 8/7/21 E-mail) and pp 87–90.

obviously raised way before [Lim] resigned”,³⁴ is unsupported. Lim has not produced any correspondence with the CPF Board to show that this issue was raised “way before” he resigned or when he purportedly executed the 2021 LOA.

36 Indeed, I find no evidence to support that Lim had even executed the 2021 LOA anytime between May to December 2021 (*ie*, during the period he claims to be employed under the 2021 LOA).

37 It is undisputed that the first time Lim asserted he had entered into a new employment agreement with EHH was on 2 January 2024 when he informed the CPF Board as such. It is also undisputed that the first time Lim provided a copy of the 2021 LOA to Liquidator was on 16 February 2024 via Lim’s 16/2/24 E-mail (see [22] above).³⁵

(a) This is despite Lim’s e-mail correspondence with the CPF Board from 28 June to 8 July 2021 (see [34] above) pertaining to the issue of CPF contributions wherein Lim had even informed the CPF Board that he would resign. Yet, there was no mention of the 2021 LOA, let alone any new employment agreement or any other agreement by which payment of Lim’s salary would be deferred.

(b) Further, well before Lim submitted his POD in June 2022, he had informed the Liquidator on 21 October 2021 of his intention to claim for salaries owing to him from May 2021 onwards.³⁶ Notably, Lim did not then mention to the Liquidator that he had executed a new

³⁴ D1’s Letter at [7].

³⁵ Liquidator’s Affidavit at pp 101–102 (Lim’s 2/1/24 E-mail) and p 111 (Lim’s 16/2/24 E-mail); 3/3/25 Minute Sheet.

³⁶ Liquidator’s Affidavit at p 85 (Lim’s 21 October 2021 e-mail to the Liquidator).

employment agreement in April 2021. It is unbelievable that Lim would have forgotten to mention a new employment agreement (which would have been purportedly executed just a few months before his October 2021 e-mail to the Liquidator) as the basis for his claim for salaries purportedly owing to him from May 2021.

(c) In fact, in Lim’s 21 October 2021 e-mail to the Liquidator, he said that “[he] wanted to and should remain ‘employed’ by EHH to sort out the mess but [he] had to resign” and that “[he] could not remain ‘employed’ if there was no CPF payments and hence [he] had to ‘resign’.” If Lim had executed the 2021 LOA in April 2021, he would have unambiguously stated that he was in fact still employed by EHH under a new employment agreement. Instead, the impression given by Lim in the e-mail was that he had simply resigned from EHH.

(d) Even when the Liquidator asked Lim on 19 July 2023 to confirm whether he had remained employed from May to December 2021, Lim replied on 11 August 2023 to state that during that period, he was “still discharging [his] statutory obligations and fiduciary duties as the MD and company director of EHH to resolve the mess”.³⁷ Again, he did not mention he had a new employment agreement with EHH in April 2021.

(e) On 24 August 2023, the Liquidator again asked Lim to confirm whether he ceased to be employed by EHH on 30 April 2021 or continued to remain employed from May to December 2021. Again, Lim’s reply on the same day was that he was from May to December 2021 “employed at EHH to continue discharging [his] statutory

³⁷ Liquidator’s Affidavit at pp 116–119 (Liquidator’s 19 July 2023 e-mail to Lim and Lim’s 11 August 2023 e-mail to the Liquidator).

obligations and fiduciary duties as the [managing director] and company director”. He did not mention that he had signed a new employment agreement with EHH in April 2021.³⁸

(f) On 2 October 2023, the Liquidator informed Lim that he had represented to the CPF Board that he was no longer employed by EHH from 30 April 2021 whilst maintaining with the Liquidator that he continued to be employed from May to December 2021. The Liquidator informed Lim to liaise with the CPF Board on Lim’s inconsistent positions pertaining to his employment status. On 8 November 2023, Lim e-mailed the CPF Board and copied the Liquidator, informing them that although he had resigned from EHH, he was still working without salary from May to December 2021 to discharge his statutory obligations and fiduciary duties as managing director and company director to resolve the mess that EHH was in.³⁹ Tellingly, Lim did not inform the CPF Board that he continued to work from May to December 2021 pursuant a new employment agreement executed in April 2021.

38 Indeed, it was only in Lim’s 2/1/24 E-mail that Lim informed the CPF Board and the Liquidator that whilst he had resigned in April 2021 to avoid penalties for EHH’s failure to pay CPF contributions, he had “immediately ‘resumed work’ from May onwards by entering into [a] new employment with [EHH]”.⁴⁰ Lim mentioned for the first time a purported new employment agreement (*ie*, the 2021 LOA) only some 1.5 years after submitting his POD and over two

³⁸ Liquidator’s Affidavit at pp 115–116 (Liquidator’s and Lim’s 24 August 2023 e-mails).

³⁹ Liquidator’s Affidavit at 106–107 (Lim’s 8 November 2023 e-mail to the CPF Board) and pp 113–115 (Liquidator’s 2 October 2023 e-mail to Lim).

⁴⁰ Liquidator’s Affidavit at pp 101–102 (Lim’s 2/1/24 E-mail).

years after having first informed the Liquidator in October 2021 that he was claiming salaries owing to him from May 2021 (see [37(b)] above).

39 I reiterate – it is unbelievable that Lim could have forgotten to inform either the CPF Board or the Liquidator, all throughout from around June 2021 until December 2023, that his purported continued employment with EHH from May 2021 was based on a new employment agreement with EHH (*ie*, the 2021 LOA).

40 It was only when the Liquidator asked Lim on 14 February 2024 for a copy of the New Agreement, that Lim then produced the 2021 LOA on 16 February 2024. Lim’s explanation in Lim’s 16/2/24 E-mail that he had “forgotten about this agreement” until he recently discovered it amongst his pile of old documents and that it was only during the “recent exchange with [the CPF Board] that it dawned upon [him] that [the 2021 LOA] may evidently help bolster his claim” cannot be believed for the reason mentioned at [39] above. It is also unbelievable that it only dawned upon Lim in his “recent exchange” with the CPF Board (presumably in late 2023 or early 2024) that the 2021 LOA would bolster his claim. Lim knew he had to provide supporting documents when he submitted his POD in June 2022, as evidenced by the fact that he provided the 2020 LOA and payslips for February to April 2021. I find it suspicious that Lim could suddenly produce the 2021 LOA in two days and very shortly after the Liquidator’s request for the New Agreement on 14 February 2024. This is even more so when contrasted with Lim’s silence for a very long time in relation to any purported new employment agreement, despite having indicated since October 2021 that he was claiming salaries owing to him from May 2021.

41 In sum, whilst Lim had on around 8 July 2021 resigned as managing partner under the 2020 LOA with his last day of employment backdated to 30 April 2021 (as per the Resignation Letter), the evidence does not support, on

balance, that he had executed the 2021 LOA in April 2021 (as he claims) or even between May and December 2021. On balance, the evidence points to Lim having prepared the 2021 LOA around the time he informed the CPF Board in January 2024 of a “new employment” with EHH (see [38] above). As I find that Lim had executed the 2021 LOA well after the period he claims to have been employed by EHH (*ie*, from May to December 2021), Lim’s Salary Claim based on the 2021 LOA must fail. Lim does not dispute that at the material time, he was the sole director of EHH and was obliged to discharge his duties as director regardless of whether he was employed or remunerated by EHH.⁴¹

42 It is clear, from Lim’s correspondence and his testimony, that on around 8 July 2021, Lim chose to resign to avoid infringing any rules pertaining to the non-payment of CPF contributions for which he could potentially face sanctions as EHH’s director.⁴² He thus executed the Resignation Letter with his last day of employment under the 2020 LOA being 30 April 2021 as, by then, EHH had no other remaining employees. In Lim’s 8/7/21 E-mail, Lim informed the CPF Board that “[he] will resign from EHH *according to the month in question* so that there will be no more salary owing and hence no CPF contribution payable” [emphasis added] and he further instructed Ms Pauline Tan to effect his resignation accordingly. Less than an hour later, she informed Lim and the CPF Board that she had notified the CPF Board that EHH had ceased operations with effect from 30 April 2021.⁴³

⁴¹ 3/3/25 Minute Sheet.

⁴² Lim’s Affidavit at [32]; Liquidator’s Affidavit at pp 86–91.

⁴³ Liquidator’s Affidavit at p 86 (Lim’s 8/7/21 E-mail; Ms Pauline Tan’s 8 July 2021 e-mail to the CPF Board and Lim).

43 Last, I address Lim's alternative arguments which Mr Tan raised for the first time in oral submissions before me and in D1's Letter. In essence, Lim argues that his Salary Claim can be admitted either on the basis of *quantum meruit* or by an implied contract of employment based on conduct.⁴⁴

44 In this regard, the Liquidator argues that Lim's POD was framed solely as a contractual claim for salary and the court is confined to reviewing the claim as such.⁴⁵ I disagree. As the court hears this application *de novo*, Lim is not restricted to the material it had placed before the Liquidator. The function of the court is not merely to say whether the Liquidator is right or wrong, it may vary the Liquidator's decision in any way it thinks necessary in light of the evidence before it (*ERPIMA SA v Chee Yoh Chuang and another* [1997] 1 SLR(R) 923 at [6]). I thus turn to address Lim's two alternative arguments.

45 As a matter of evidence, both of Lim's arguments must fail. Lim claims to merely seek fair compensation for the services he rendered to EHH from May to December 2021.⁴⁶ But he has not tendered supporting evidence to prove that the work (if any) he did for EHH during that period went over and above that of discharging his duties and obligations as a director. As Mr Tan conceded, a director's duties and obligations remain regardless of whether he is remunerated or has a separate contract of employment.⁴⁷ It is insufficient for Lim to depose that he continued to work for EHH from May to December 2021.⁴⁸ Lim claims he no longer has access to EHH's e-mails to show his work done during May to

⁴⁴ D1's Letter at [11]–[14]; 3/3/25 Minute Sheet.

⁴⁵ C's Letter at [19].

⁴⁶ Lim's Written Submissions dated 24 February 2025 at [23].

⁴⁷ 3/3/25 Minute Sheet.

⁴⁸ D1's Letter at [9].

December 2021.⁴⁹ Lim had also represented to the CPFB that *EHH had ceased operations and no longer had any other employees with effect from 30 April 2021* (see [42] above). Hence, it is unclear what services Lim had rendered in managing EHH from May to December 2021, much less that the value of his services justified that he be compensated \$15,000 per month for another eight months. As Mr Tan submitted, “it will be difficult to put a value on [Lim’s] work”.⁵⁰ If so, it is unclear why the court should, as submitted by Mr Tan, take Lim’s salary under the 2020 LOA as the default figure.

46 As for Lim’s *quantum meruit* argument, I understand this to be premised on unjust enrichment (*Eng Chiet Shoong and others v Cheong Soh Chin and others and another appeal* [2016] 4 SLR 728 (“*Eng Chiet Shoong*”) at [41]). Lim must prove: (a) enrichment of EHH; (b) at Lim’s expense; and (c) circumstances which make the enrichment unjust (*ie*, the presence of an “unjust factor”) (*Benzline Auto Pte Ltd v Supercars Lorinser Pte Ltd and another* [2018] 1 SLR 239 at [45]). The first element is not made out as Lim has shown no evidence as to the work he did for EHH from May to December 2021 (see [45] above), over and above that of discharging his duties and obligations as a director. As for the third element, Lim has not identified the unjust factor he is relying on for his claim. It is insufficient for Lim to make generic reference to unconscionability or it being unjust for him to be uncompensated for the work he had allegedly done (*Wee Chiaw Sek Anna v Ng Li-Ann Genevieve (sole executrix of the estate of Ng Hock Seng, deceased) and another* [2013] 3 SLR 801 at [100] and [134]).

⁴⁹ Lim’s Affidavit at [56].

⁵⁰ D1’s Letter at [12].

47 I also disagree that a contract of employment should be implied. As there is no evidence of Lim's work done for EHH from May to December 2021, there is no conduct from which an employment contract should be implied. In any case, the test for such an implied contract is that of necessity (*Eng Chiet Shoong* at [29]). Lim has provided no evidence to show that it was *necessary* for him to have been employed by EHH (as interim managing director or otherwise) from May to December 2021. This is even if Lim was still discharging his statutory obligations and fiduciary duties as director of EHH at that time.

Bonus Claim

48 I turn to the Bonus Claim. Whilst Lim's POD did not state whether he was relying on the 2020 LOA or the 2021 LOA for the claim, Lim had submitted the 2020 LOA to support his POD and the Liquidator had relied on the 2020 LOA in coming to his decision to reject the Bonus Claim.

49 I agree with the Liquidator's assessment that Lim was not contractually entitled to the Bonus Claim.⁵¹ Clause 4(b) of the 2020 LOA provided that Lim would receive a guaranteed bonus equivalent to two months' salary for every completed year of service. Under the 2020 LOA, Lim commenced employment with EHH on 19 June 2020 and his own position is that his last day of employment was 30 April 2021 (based on his Resignation Letter). Thus, Lim would not have been entitled to the guaranteed bonus as he had not then completed a year of service.

50 Even if Lim relied on the 2021 LOA, his Bonus Claim would still fail. First, I have found the 2021 LOA was not executed at the material time. Second,

⁵¹ Liquidator's Affidavit at [17(b)] and pp 63–64 (Liquidator's Grounds at [26]–[35]).

cl 3 of the 2021 LOA provided that Lim's bonus was at EHH's discretion, and Lim has not shown that EHH had declared any bonus to him under the 2021 LOA.

Encashed Leave Claim

51 Likewise, I agree with Liquidator's decision to reject the Encashed Leave Claim.⁵² In his POD, Lim claimed 13 days of unutilised leave for the period from June 2020 to April 2021, namely, seven days in 2020 and six days in 2021.⁵³

52 In so far as Lim had submitted the 2020 LOA in support of his POD, cl 11 of the 2020 LOA stipulated that Lim cannot carry forward any unutilised leave to the next year or encash any unutilised leave, and any balance leave at the end of the calendar year shall be forfeited.⁵⁴ Hence, the seven days of unutilised leave in 2020 could not be carried over to 2021 and would have been forfeited by the end of 2020. As for the six days of unutilised leave in 2021, it is unclear if they survived the termination of 2020 LOA, and in any case would have been forfeited by the end of 2021. Clause 11 also stated that any unutilised leave cannot be encashed.

53 Even if Lim relied on the 2021 LOA (as he claims to have commenced a new employment contract from May 2021),⁵⁵ there is no provision in the 2021 LOA which allows Lim to encash such unutilised leave.

⁵² Liquidator's Affidavit at [17(c)] and pp 65–66 (Liquidator's Grounds at [36]–[42]).

⁵³ Liquidator's Affidavit at p 68 (Ms Pauline Tan's 22 June 2022 e-mail to the Liquidator).

⁵⁴ Liquidator's Affidavit at p 75.

⁵⁵ 3/3/25 Minute Sheet.

ICPL’s proof of debt

54 I deal now with ICPL’s POD for \$340,368.78, which was submitted on 15 July 2022 comprising the following:⁵⁶

- (a) an outstanding consideration for the sale of the shares of Senbo Pte Ltd (“Senbo”) from ICPL to EHH for \$1;
- (b) payments made by ICPL on EHH’s behalf amounting to \$35,867.78 (“\$35,876.78 Payment”);
- (c) an outstanding loan under a loan agreement between ICPL and EHH dated 1 March 2021 (“Loan Agreement”) of \$300,000; and
- (d) the outstanding interest under the Loan Agreement of \$4,500.

55 The Liquidator claims that ICPL’s POD is supported by EHH’s accounting records, EHH’s and ICPL’s bank statements, ICPL’s payment vouchers (and supporting documents thereto) and the Loan Agreement. The Liquidator provided his grounds for admitting ICPL’s POD in his adjudication remarks.⁵⁷

56 I find that the Liquidator was justified in admitting ICPL’s POD in full.

57 The sale of Senbo’s shares to EHH is supported by a copy of the Share Transfer Form dated 6 July 2020 showing the transfer of 300,000 Senbo shares

⁵⁶ Liquidator’s Affidavit at [21]–[22] and pp 132–133.

⁵⁷ Liquidator’s Affidavit at [23]–[25] and pp 137–177.

from ICPL to EHH, and a Certificate of Stamp Duty of even date evidencing the transfer for \$1.⁵⁸

58 As for the \$35,867.78 Payment, this pertained to payroll-related payments that ICPL made on EHH's behalf from June to August 2020 when EHH was setting up its bank account. The Liquidator has exhibited the invoice from ICPL to EHH dated 31 August 2020 with a breakdown of the individual amounts owing by EHH to ICPL and produced various other supporting documents in the review of this claim.⁵⁹

59 Next, the Loan Agreement, and in particular cll 1.1 and 1.2, which recorded EHH's acknowledgement of receipt of \$300,000 by a bank transfer from ICPL to EHH of \$100,000 on 18 February 2021 and of \$200,000 on 19 February 2021, supports that EHH had taken a loan from ICPL. ICPL's bank statement also showed the sums of \$100,000 and \$200,000 transferred from its bank account on 18 and 19 February 2021.⁶⁰ I am satisfied that the \$300,000 was transferred by ICPL to EHH, based on the Loan Agreement, ICPL's bank statement and the Liquidator's adjudication remarks that he had sighted in EHH's bank statement that the \$300,000 was received by EHH.

60 Finally, the preamble of the Loan Agreement read with cl 1.2 provided for the \$300,000 loan to be repaid with interest at 1.5% of the principal sum within two years from the date of the Loan Agreement. I accept the Liquidator's finding that the Loan Agreement has not been terminated and that ICPL is rightly entitled to claim the interest of \$4,500.

⁵⁸ Liquidator's Affidavit at pp 143–146.

⁵⁹ Liquidator's Affidavit at pp 148–166.

⁶⁰ Liquidator's Affidavit at pp 168–172 and 175

61 Importantly, Mr Tan confirmed before me that Lim, who was a director of EHH at the material time the abovementioned transactions took place and also EHH's shareholder, does not dispute ICPL's claims in ICPL's POD.⁶¹

Conclusion

62 In conclusion, I allow OA 1201 and determine that the Liquidator's decisions to reject Lim's POD and accept ICPL's POD were correctly made.

63 I will hear parties on costs.

Audrey Lim
Judge of the High Court

Woo Yin Loong Christopher, Lim Wei Ming Keith and Teh Ryan
Christopher Wei Jun (Quahe Woo & Palmer LLC) for the claimant;
Clement Julien Tan Tze Ming and Yuan Jingjie (Bird & Bird ATMD
LLP) for the first defendant.

⁶¹ Lim's Affidavit at [4]; 3/3/25 Minute Sheet.