

IN THE COURT OF APPEAL OF THE REPUBLIC OF SINGAPORE

[2026] SGCA 32

Court of Appeal / Civil Appeal No 1 of 2026

Between

Ren Xinwu

... Appellant

And

- (1) Homing Holdings Pte Ltd (in liquidation)
- (2) Luminaries Holdings Pte Ltd (in liquidation)

... Respondents

GROUND OF DECISION

[Insolvency Law — Winding up — Liquidator]
[Res Judicata — Extended doctrine of res judicata]

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Ren Xinwu
v
Homing Holdings Pte Ltd (in liquidation) and another
[2026] SGCA 32

Court of Appeal — Civil Appeal No 1 of 2026
Sundaresh Menon CJ, Hri Kumar Nair JCA and Judith Prakash SJ
6 July 2026

16 July 2026

Hri Kumar Nair JCA (delivering the grounds of decision of the court):

Introduction

1 This was an appeal against the decision of a judge in the General Division of the High Court (“Judge”) in HC/OA 1195/2025 (“OA 1195”). The Judge dismissed the appellant (“Applicant”)’s application made pursuant to s 156 and/or s 144(3) of the Insolvency, Restructuring and Dissolution Act 2018 (2020 Rev Ed) (“IRDA”) for an order permitting him to utilise, refer to and exhibit in any court proceedings any and all books, records, working papers, management accounts and other documents (“Relevant Documents”) prepared by or coming into the possession of the liquidators (“Liquidators”) of Homing Holdings Pte Ltd (“Homing”) and Luminaries Holdings Pte Ltd (collectively, the “Companies”) that are or may be relevant to legal proceedings that the Applicant intended to bring (“Intended Claims”) against two individuals, Ms

Lee Kuan Fung (“Ms Lee”) and Mr Chua Chim Kang (“Mr Chua”) (collectively, the “putative defendants”). The Liquidators did not resist OA 1195 or this appeal. The Judge’s grounds of decision are set out in *Ren Xinwu v Homing Holdings Pte Ltd* [2026] SGHC 42 (“GD”).

2 Although the Judge stated that he was prepared to grant the Applicant permission to use the Relevant Documents under s 156 of the IRDA, he dismissed OA 1195 on the basis that the Intended Claims would be barred by the extended doctrine of *res judicata*. This was because the Intended Claims concerned matters “that were already, or properly ought to have been, considered and decided in the [Applicant]’s previous claim” against the putative defendants in HC/OC 468/2023 (“OC 468”) (GD at [2]).

3 Briefly and for context, OC 468 related to the Applicant’s claim against the putative defendants arising out of a joint venture between them. The Applicant and the putative defendants were shareholders of Homing and entered a “Joint Co-operation Agreement” (“Agreement”). The Applicant contributed \$1m as Homing’s capital, \$990,000 of which was by way of a loan to Homing repayable within three years (“Loan”). The Loan was not repaid. The Applicant placed Homing into liquidation and commenced OC 468 against the putative defendants for, amongst other things, the return of the Loan. The Applicant’s principal case was that the putative defendants, as shareholders of Homing, had breached an implied term of the Agreement (“Implied Term”) that they would procure Homing to repay the Loan. The Judge found no such Implied Term and dismissed OC 468 (see *Ren Xin Wu v Lee Kuan Fung* [2025] 4 SLR 583).

4 An issue that arose in OC 468 was whether Mr Chua was still a shareholder of Homing at the material time such that he continued to be subject to the Implied Term. The Judge accepted Mr Chua’s case that he was no longer

a shareholder as he had transferred his shares to Ms Lee. It is pertinent that the Agreement contained clauses restricting the transfer of shares (“Share Transfer Restrictions”). The Applicant, however, did not pursue any claim or remedy in OC 468 for a breach of the Share Transfer Restrictions.

5 After OC 468 was concluded, the Applicant requested copies of certain documents from the Liquidators. The Liquidators agreed to provide copies on the condition that the Applicant must apply to court for permission to use the same in any claims against the putative defendants (“Condition”). The Applicant agreed to the Condition and copies of the documents were extended by the Liquidators to the Applicant.

6 The Applicant thereafter applied in OA 1195 for permission to use the Relevant Documents (see [1] above for the full scope of the application). The Intended Claims, as articulated by the Applicant, were that:

(a) Mr Chua had breached the Share Transfer Restrictions and, by ceasing from 2018 onwards to be involved in the management of Homing, had also breached an obligation under the Agreement to commit to the management of Homing; and

(b) Ms Lee had, by extension, breached her duties under the Agreement to ensure compliance by the shareholders with the Agreement.

7 The Applicant contended on appeal that the Judge had erred in determining that the Intended Claims were precluded by the extended doctrine of *res judicata* or abuse of process. Having considered the Applicant’s arguments, we dismissed the appeal.

Our decision

OA 1195 should not have been brought

8 We found that OA 1195 should not have been brought.

There was no reason for the Liquidators to impose the Condition

9 First, there was no reason for the Liquidators to impose the Condition.

10 Generally, liquidators must use their own discretion in the management of the affairs and property of the company and the distribution of the assets of the company (see, in the context of compulsory liquidation, s 145(4) of the IRDA; see also *Lanigan v Hyslop* [2026] EWHC 128 (Ch) at [40], citing s 168(4) of the English Insolvency Act 1986 (c 45) which is *in pari materia*). Liquidators are routinely required to make commercial decisions and, in doing so, to weigh the risks and rewards of competing courses (*Re Sova Capital Ltd* [2024] 1 All ER (Comm) 69 (“*Re Sova*”) at [184(b)]) and to act pursuant to their duties to, and in the best interests of, among others, the insolvent company and its creditors (*The Royal Bank of Scotland NV v TT International Ltd* [2012] 2 SLR 213 at [76]; *Stanford International Bank Ltd v HSBC Bank plc* [2023] AC 761 at [105]). In the absence of any controversy or requirement, it is inappropriate for liquidators to seek court sanction or guidance for an action they wished to take (*Re USP Group Ltd* [2025] 4 SLR 1221 (“*USP Group*”) at [12]). The court is neither a sanctuary nor a bomb shelter for liquidators with respect to decisions they make in the discharge of their duties (*USP Group* at [12], citing *Re Sova* at [184(f)]).

11 In *Re Sova*, special administrators appointed over a company applied to the court to sanction a sale by the company of its portfolio of Russian securities to one of its largest unsecured creditors. The sale was approved by most of the

company's creditors but opposed by another unsecured creditor which was part of a consortium which wanted to acquire the securities on different terms. Miles J held, after a survey of English cases, that there should be particular reasons for an officeholder appointed under insolvency legislation to apply to court for sanction. It cannot depend simply on the scale of the transaction or whether it was difficult (at [184(c)]). Situations in which it may be appropriate for an officeholder to seek court sanction include where "doubts have been expressed about the administrators' powers or there are potential conflicts of interest or where there may be potential issues as to the legality of the proposed transaction" (*Re Sova* at [184(d)]), or where the courts are asked to consider the rationality of the proposed course of action for the purposes of the proper purpose rule (*Re Sova* at [184(e)]). These observations were endorsed by the English Court of Appeal in *Denaxe Ltd v Cooper* [2024] 1 All ER 697 at [138]–[139]. Miles J found that it was appropriate for the special administrators to apply given that, amongst other things, the transaction concerned a disposal of a substantial part of the company's estate, the legal mechanism of the transaction was novel, the decision of the administrators was challenged by a creditor and the transaction concerned the potential application of sanctions imposed against Russia (*Re Sova* at [193]).

12 These principles were applied in the context of judicial management in *USP Group*. In that case, the judicial managers applied for the court's sanction of a proposed settlement agreement under s 99(5) of the IRDA. It was a condition precedent of the proposed settlement agreement that court approval be required (*USP Group* at [9(d)(ii)]). Alex Wong JC (as he then was) observed that it would be inappropriate for court sanction to be sought solely on the basis that the contracting parties had agreed for court sanction to be a condition precedent (*USP Group* at [12]). In this context, Wong JC held that, among other things, there must be some special reason or unusual circumstance requiring

court sanction (*USP Group* at [14(c)]). On the facts, Wong JC found that there were special reasons justifying the court sanction, viz, (a) the proposed settlement agreement was important and urgent; (b) the judicial management had been plagued with litigation; and (c) the proposed settlement agreement was for the purpose of discharging security over a company which was the crown jewel of the group's remaining assets and thus would be a significant transaction in the context of the judicial management (*USP Group* at [26]).

13 The issue of when it would be appropriate to seek court sanction for a proposed course of action also arose for consideration in *Yap Cheng Ghee Bob v Envy Asset Management Pte Ltd* [2024] 4 SLR 746 (“*Envy Asset*”). There, the plaintiff liquidators of the defendant companies sought the court's directions pursuant to s 145(3) of the IRDA. The defendant companies had, prior to being wound up, purported to engage in the business of nickel trading which investors had contributed moneys to and which some investors had received profits from. In response to the plaintiff liquidators' demand to return the profits they received, many investors claimed to have reinvested part or all of the profits with the defendant companies through a third party's account or joint account with another investor. The plaintiff liquidators applied to seek the court's approval for, in essence, a proposed extension of the “running account” approach in treating all monies in and out of the defendant companies attributable to an investor as part of a single “running account” for that investor, for the purpose of calculating the true outstanding claim of an investor (*Envy Asset* at [37]).

14 In this context, after canvassing Australian case law, Goh J held that the court's powers under s 145(3) of the IRDA could be invoked where, among other things, the liquidator's decision-making may be subject to criticism and is likely to be contested (*Envy Asset* at [30]). On the facts, Goh J was satisfied that

the applications involved potentially controversial issues of law and principle, and that the plaintiffs' liquidators' views on these issues may be subject to criticism by opposing creditors (*Envy Asset* at [31]).

15 We endorse the observations of the courts as stated above. In our judgment, a liquidator should only seek or insist on the court's sanction or guidance for a proposed course of action which lay within his power where there is an issue or controversy that may arise on the law or on the facts in relation to the proposed exercise of his powers. We add that in assessing the appropriateness of the application, the court should ordinarily give weight to the liquidator's professional evaluation of the circumstances. Nonetheless, we emphasise three points:

- (a) First, the liquidator must raise some *real* issue or controversy. It is insufficient for the liquidator to raise or speculate on every conceivable risk or concern, with no regard for how likely it is that they will arise. The absence of this requirement would open the floodgates to unnecessary applications to court, when the liquidator is well-placed to, and indeed should, exercise his own judgment (see, in the context of administration, *Re NS Distribution Ltd* [1990] BCLC 169 at 171, where the English High Court noted the concern of being inundated with applications to bless an administrator's decision).
- (b) Second, the liquidator must disclose all material facts to the court and not withhold any fact or matter which may be relevant to the court's assessment, as the court is not in the position to make a full investigation of the circumstances (*Re Sova* at [184(h)]).
- (c) Third, the liquidator should assist the court as best he can, including, disclosing his reasons for a proposed course of action as these

will be material to the court's assessment (*Re MF Global UK Ltd* [2014] EWHC 2222 (Ch) at [34], citing John Mowbray *et al*, *Lewin on Trusts* (Sweet & Maxwell, 18th Ed, 2008). This should entail, among other things, explaining why he considers the proposed action to be in the best interests of the company and its creditors. What the liquidator should not do is to sit on the fence and ask the court to make decisions for him.

16 At the hearing of the appeal and in the Applicant's written submissions, the Applicant referred by analogy to the circumstance where a liquidator seeks to assign the fruits of a court action, relying on two cases – *Lavrentiadis, Lavrentios v Dextra Partners Pte Ltd* [2023] 5 SLR 1288 ("*Lavrentiadis*") and *Re Mingda Holding Pte Ltd* [2025] 4 SLR 234 ("*Mingda*"). The Applicant argued that while the liquidators had the power to assign the fruits of a court action, the courts nonetheless entertained and granted applications for court sanction in these two cases. The Judge, in his grounds of decision, also relied on these cases in holding that it was permissible, out of an abundance of caution, for parties to seek court sanction to take steps that were within their powers to take (GD at [22]). In our view, these cases are entirely consistent with the principles propounded above. The determinative question is not whether the steps to be taken were within the liquidators' power, but whether some issue has arisen for which it would be appropriate for the liquidator to seek the court's sanction or guidance.

17 This requirement was fulfilled in both cases. In *Lavrentiadis* and *Mingda*, the relevant officeholders sought the court's authorisation to enter into funding agreements to assign the fruits of recovery from claims to the relevant funder (*Lavrentiadis* at [12]; *Mingda* at [57]). The power that the officeholders were seeking to exercise in the distribution of assets could potentially result in some detriment to the creditors, in so far as the officeholders could, by these

agreements, undertake to give up benefits that would otherwise accrue to the creditors. An issue therefore arose as to whether the relevant funding agreements were properly in the interests of the insolvent company or bankrupt (as the case may be) and the creditors. This was sufficient to ground the existence of a potential issue and to justify an application to court for sanction. Ultimately, whether it is appropriate for the liquidator to apply to court for sanction or guidance will turn on the facts and circumstances of the case.

18 We turn now to the circumstances of this case. The Relevant Documents were in the possession of, and belonged to, the Companies. It was within the Liquidators' powers to decide whether to allow the Applicant to use them for the Intended Claims and the Liquidators did not require the court's permission to do so (*Re Acli Metals (London) Ltd* [1989] BCLC 749 at 755–756). There was no concern of any potential breach of a third party's rights arising from the Applicant's use of the Relevant Documents. It was also not the Liquidators' position that they were uncertain about the exercise of their powers or otherwise required the court's guidance as to any issue or controversy in relation to the Applicant's use of the Relevant Documents. In fact, it was evident that the Liquidators did not have any concerns at all:

- (a) the Liquidators had furnished the Applicant with copies of the documents requested by him (see [5] above);
- (b) the Liquidators did not resist OA 1195 and this appeal. Indeed, they did not even appear at the hearing of the appeal; and
- (c) the Applicant asserted in his affidavit filed in support of OA 1195 that "the Liquidators [were], in principle, agreeable to [his] usage and exhibition of the Relevant Documents for the purposes of the Intended Claims". This was not challenged by the Liquidators.

19 In the circumstances, no issue or controversy was identified which required the court’s determination or guidance; neither was it suggested that the Companies’ or the Liquidators’ interests may be prejudiced or affected in any way if they allowed the Applicant to use the Relevant Documents for the Intended Claims. It appeared to us that the Liquidators (through the Applicant) were simply seeking, for no discernible purpose, the court’s blessing for the Applicant to use the Relevant Documents. This was inappropriate. In the circumstances, there was no reason for the Liquidators to have imposed the Condition.

OA 1195 was unnecessary

20 Second, it was not necessary for the Applicant to have brought OA 1195. On his own case, the Applicant did not require the Relevant Documents to file the Intended Claims against the two putative defendants. The Relevant Documents were only required for the quantification of damages – namely, that at the time the Share Transfer Restrictions were purportedly breached, Homing was still solvent and the Applicant would have been able to obtain some recovery had he demanded the return of the Loan then. Even then, this was only his *alternative* measure of loss and not his primary claim for the full \$1m he had invested in Homing (which was predicated on purported misrepresentations by the putative defendants). In the circumstances, the Applicant can plead and file the Intended Claims and thereafter obtain the Relevant Documents by, for instance, applying for the production or discovery of the Relevant Documents against the Liquidators, if the Liquidators remain unwilling to allow their use.

21 This approach is also more sensible and practical in that any issue pertaining to the Relevant Documents can be resolved in the context of the Intended Claims. The putative defendants, as parties, will be able to raise any

objections they may have with respect to the relevance or use of the Relevant Documents. We also note that the Applicant has defined the Relevant Documents in very broad terms, effectively including *every* document in the Liquidators' possession or control. The scope of discovery will necessarily be limited by the pleadings and in seeking production or discovery, the Applicant will have to identify with some specificity what documents (or categories of documents) he requires. In fact, the Relevant Documents may turn out not to be relevant or necessary at all, depending on the position taken by the putative defendants in the Intended Claims.

22 This leads us to the issue of the extended doctrine of *res judicata* or abuse of process which the Judge relied on in dismissing OA 1195. The Judge had, on his own accord, brought up the extended doctrine of *res judicata* at the hearing of OA 1195. It was not raised by the Liquidators, who did not resist OA 1195, or the putative defendants, who were not parties to OA 1195. In our view, it was not appropriate for the Judge to have engaged in that analysis for two reasons.

23 First, the issue of *res judicata* or abuse of process cannot satisfactorily be dealt with without first analysing the Applicant's (new) cause(s) of action against the issues raised, and findings made, in OC 468. This will require the Applicant to first produce his Statement of Claim detailing his cause(s) of action so that the court may assess whether they reasonably ought to have been raised in OC 468 (*Goh Nellie v Goh Lian Teck* [2007] 1 SLR(R) 453 at [52]–[53]). In the absence of any pleadings, any determination of *res judicata* or abuse of process on the premise of the Intended Claims as articulated in the Applicant's affidavit in OA 1195 would be premature and speculative.

24 Second, the issue of *res judicata* or abuse of process was for *the putative defendants* to raise, either in their Defence or by way of a striking out application. The putative defendants can only do so *after* a claim is properly brought against them, and it was not for the Judge to pre-judge or pre-empt such issues.

25 For the avoidance of doubt, we clarify that should the issue of *res judicata* or abuse of process arise in any action brought by the Applicant, that issue should be considered afresh by the court hearing that action. We express no view on whether the Applicant should be precluded from pursuing the Intended Claims.

Observations on the IRDA provisions

26 The above reasons sufficed to dispose of the appeal. We nonetheless express some reservations as to whether the two IRDA provisions relied on by the Applicant – ss 144(3) and 156 – provided a basis for the application in OA 1195:

- (a) Section 144(1) lists powers that the liquidator may only exercise with prior authorisation from the court or the committee of inspection, while s 144(2) stipulates powers that the liquidator may exercise on their own authority without such authorisation. Section 144(3) allows a creditor or contributory to apply with respect to any exercise or purported exercise of any of the liquidator’s powers listed in s 144. In the present case, the Applicant was seeking permission to use the Relevant Documents, copies of which he had already obtained. While the Applicant suggested on appeal that the Liquidators, in imposing the Condition, had exercised a power under s 144 subject to the control of the court under s 144(3), the Applicant did not identify the applicable

sub provision in s 144 which gives or governs this power. Like the Judge, it did not appear to us that any of the sub provisions in s 144 were engaged on the facts.

(b) Section 156 of the IRDA, on its face, only deals with the court's power to order the inspection of the books and papers of a company by creditors and contributories, and does not deal with the use of such documents. In the present case, the Liquidators did not resist the Applicant's request and had furnished him copies of the documents he had requested for, thus rendering s 156 inapplicable. The Applicant relied on the case of *Re Pan Electric Industries Ltd* [1992] 1 SLR(R) 269 ("*Pan Electric*") for the proposition that a recognised purpose of s 156 is to permit creditors to obtain inspection of documents from a liquidator, and to utilise said documents in the pursuit of claims in the creditors' own name and benefit. The Judge accepted that *Pan Electric* appeared to contemplate the ability of creditors to utilise documents obtained through inspection for any relevant purposes, including commencing related proceedings, and was content to proceed on the basis that permission to use documents *already obtained* could be sought and obtained under s 156 (GD at [22]). However, *Pan Electric* concerned an application to inspect the company's books – which directly engaged s 156 – and the court did not hold that creditors required the court's permission to use the documents or information obtained from the liquidators or that s 156 empowered the court to grant that permission. *Pan Electric* therefore does not assist the Applicant.

Conclusion

27 In the circumstances, while we agreed with the Judge's decision to dismiss the application, we did so for different reasons. We therefore dismissed

the appeal. We made no order as to costs given the Liquidators did not oppose the appeal.

Sundaresh Menon
Chief Justice

Hri Kumar Nair
Justice of the Court of Appeal

Judith Prakash
Senior Judge

Lye Yu Min and Phee Wei Qi, Shanice (Oon & Bazul LLC) for the
appellant;
The respondents absent.
