Please delete where applicable –

1. This Judgment ~~/ Grounds of Decision~~ ~~DOES /~~ DOES NOT need redaction.

2. Redaction ~~HAS /~~ HAS NOT been done.

DISTRICT JUDGE
SIM MEI LING
29 October 2026

IN THE STATE COURTS OF THE REPUBLIC OF SINGAPORE

[2026] SGDC 358

District Court Originating Claim No 92 of 2025

Between

Chen Feipeng

… *Claimant*

And

Ye Qing

… *Defendant*

JUDGMENT

[Contract] — [Consideration] — [Failure]

[Contract] — [Contractual terms] — [Implied Terms]
[Contract] — [Misrepresentation] — [Fraudulent]
[Contract] — [Mistake] — [Mistake of fact or law]

Version No 1: 29 Oct 2026 (15:43 hrs)

TABLE OF CONTENTS

INTRODUCTION **2**

BACKGROUND FACTS **3**

PARTIES' POSITIONS IN THESE PROCEEDINGS **14**

WAS CLAUSE 2 OF THE TERMINATION AGREEMENT SUPPORTED BY CONSIDERATION **16**

THE DEFENDANT'S RELEASE FROM HER OTHER OBLIGATIONS UNDER THE INVESTMENT AGREEMENTS 18

THE ALLEGED SHARE TRANSFER TERM 20

How did the gap in the contract arise? *21*

Is the Alleged Share Transfer Term necessary for business efficacy? *23*

Does it pass the officious bystander test *24*

IS CLAUSE 2 OF THE TERMINATION AGREEMENT VOID FOR MISTAKE IN LAW AND/OR FACT **25**

IS CLAUSE 2 OF THE TERMINATION AGREEMENT VOIDABLE FOR MISREPRESENTATION **29**

THE CLAIMANT'S ENTITLEMENT TO THE BALANCE $200,000 VERSUS THE DEFENDANT'S COUNTERCLAIM FOR $100,000 ..... **32**

CLAIM FOR BREACH OF THE INVESTMENT AGREEMENTS **32**

CONCLUSION **33**

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

Chen Feipeng
v
Ye Qing

[2026] SGDC 358

District Court Originating Claim No 92 of 2025
District Judge Sim Mei Ling
24 June 2026, 13-14 August 2026, 19 October 2026

29 October 2026 Judgment reserved.

District Judge Sim Mei Ling:

Introduction

1 The claimant had entered into several agreements with the defendant to invest in the defendant's businesses. They later decided to part ways and signed a Termination of Cooperation Agreement on 29 October 2023 (the "Termination Agreement").

2 The claimant said that a balance of S$200,000 remains outstanding under the Termination Agreement. He therefore sued to recover this sum; alternatively, he sought damages for breach of the Termination Agreement and/or for damages for breach of their prior agreements.

3 The defendant claimed that she had entered into the Termination Agreement under a mistake of law and/or fact and/or pursuant to misrepresentation by the claimant and/or his agent. She also contended that the Termination Agreement was not supported by consideration. She therefore denied that she was liable to the claimant and counterclaimed for S$100,000 which she had already paid under the Termination Agreement.

4 After considering the evidence and parties' submissions, I find the Termination Agreement to be valid and enforceable. These are my grounds.

Background facts

5 The defendant was the founder of the following companies (collectively, the "Companies")[1]:

(a) Asia Renew Tech Pte Ltd (formerly known as Agatos Renew Biomass Technology Pte Ltd) ("ART");

(b) Asia Renew Science Pte Ltd ("ARS"); and

(c) AR Bioenergy Tech Pte Ltd ("ARB").

6 The defendant had designed and developed pyrolysis machines and systems to treat various types of waste and turn such waste material into biochar and/or activated carbon. The Companies used these machines and systems to provide various services, such as management of waste and its by-products. [2]

[1] The defendant's affidavit of evidence-in-chief ("AEIC"), [4].

[2] The defendant's AEIC, [6] – [7]; the claimant's AEIC, [18].

Version No 1: 29 Oct 2026 (15:43 hrs)

7 The claimant was interested in investing in the Companies. Hence, the claimant and the defendant entered into an investment agreement dated 18 October 2022 (the "2022 Investment Agreement") which was in Mandarin. The relevant clauses were as follows[3]:

(a) Clause 1: All existing businesses of ART, including technologies and intellectual property rights used by ART (the "Technologies and Intellectual Property Rights"), will belong to ART;

(b) Clause 2: The claimant will pay S$300,000 (equivalent to RMB1,500,000) to the defendant to buy out all technology and intangible assets owned by the defendant in 2 tranches: (1) S$200,000 (equivalent to RMB1,000,000) prior to 30 November 2022; and (2) S$100,000 in conjunction with ART's equipment procurement;

(c) Clause 4: The claimant will invest S$450,000 in ART in consideration of 45% shares in ART, for which the first tranche of S$250,000 would be paid to ART by 1 November 2022;

(d) Clause 5: Parties will execute the necessary documents to effect the change in shareholding in ART after the first tranche of $250,000 was paid, according to the following proportion: 55% for the defendant, and 45% for the claimant;

(e) Clause 6: The defendant will transfer her 59% shareholding in ARS to ART upon receipt of S$200,000;

(f) Clause 8: Matters such as investments into ART, external partnerships, amendments to ART's articles of association and staff

[3] The claimant's bundle of documents Volume 1 ("1 CBOD") 63 – 71.

Version No 1: 29 Oct 2026 (15:43 hrs)

changes shall require consensus of both parties through consultation. Financial statements shall be made available to both parties, and a shareholders' meeting shall be held at least once annually.

8 On or about 31 October 2022, the claimant paid S$250,000 to ART.[4]

9 On 22 November 2022, the claimant paid RMB1,000,000 (equivalent to S$200,000) to the defendant.[5]

10 On or around 3 December 2022, 4,050,000 shares in ART were allotted to the claimant. [6]

11 On 11 January 2023, the claimant transferred a further RMB150,000.[7] On 12 March 2023, the claimant transferred a sum of RMB150,000. On 18 March 2023, the claimant transferred another RMB100,000. [8] The defendant accepted that these sums were paid, but said that they were directed to Fujian Boce Culture and Technology Co., Ltd. ("Boce") to purchase equipment and were not paid to her.[9]

12 The claimant had therefore paid a total of RMB1,000,000 (equivalent to S$200,000) for the purchase of the defendant's technology and intangible assets, and S$250,000 and RMB400,000 (approximately S$80,000) for his share purchase. He did not make payment of the balance S$100,000 for

[4] The claimant's AEIC, [25(a)]; the defendant's AEIC, [13(a)].

[5] The claimant's AEIC, [25]; the defendant's AEIC, [13(b)].

[6] The claimant's AEIC, [26], [28].

[7] The claimant's AEIC, [25].

[8] The claimant's AEIC, [25].

[9] The defendant's AEIC, [13(a)].

Version No 1: 29 Oct 2026 (15:43 hrs)

purchasing the defendant's technology and intangible assets, nor the balance of approximately S$120,000 for his share purchase.

13 The claimant said that sometime between December 2022 to early January 2023, it came to his attention that the defendant was having difficulty exporting machinery from China to Singapore for ART's business.[10] Hence on 11 January 2023, parties entered into a further agreement, also in Mandarin, to vary the 2022 Investment Agreement (the "1st Supplemental Agreement").[11] This provided that:

(a) Clause 2: Boce, a company incorporated in China and owned/controlled by the defendant, would be designated the sole importer and exporter for ART in China;

(b) Clause 3: The profits and losses of the import and export business conducted through Boce would be borne by the defendant and claimant in the following proportions: 55% and 45% respectively;

(c) Clause 4: The claimant will pay RMB100,000 to Boce in 2 tranches: (1) RMB50,000 within 5 days of execution of this agreement; (2) RMB50,000 prior to the project financial year closing of Boce on 31 December 2023; and

(d) Clause 6: The defendant could continue operating Boce's other existing businesses which were unrelated to the claimant but warranted that the operation of such businesses would not impair the claimant's interest.

[10] The claimant's AEIC, [30] – [32].

[11] 1 CBOD 94 – 101.

Version No 1: 29 Oct 2026 (15:43 hrs)

14 On 16 January 2023, the claimant remitted RMB50,000 to Boce. RMB 30,000 was transferred on 4 March 2023, and a further RMB20,000 transferred subsequently.[12]

15 On 23 March 2023, a further 450,000 shares in ART were allotted to the claimant.[13]

16 In or around March 2023, Mr Chan Yee Liang ("Mr Chan") was employed by ART as its Chief Operating Officer.[14]

17 The claimant said that he had concerns with how the defendant was managing the Companies' businesses, how she was using the money he invested in ART, and the alleged unreliability of Boce as sole importer and exporter for ART.[15] On 2 May 2023, parties entered into a third agreement, again in Mandarin, to further vary the 2022 Investment Agreement (the "2nd Supplemental Agreement").[16] This provided, amongst other things, that:

(a) Clause 5: The claimant will set up a new company in China known as Fujian Boyuan Jieneng Environmental Technology Co Ltd and pay the defendant 15% of any technology dividends earned;

(b) Clause 8: The claimant's shareholding in ART will be reduced from 45% to 36%;

---

[12] The claimant's AEIC, [34].

[13] The claimant's AEIC, [37].

[14] The claimant's AEIC, [40].

[15] The claimant's AEIC, [43] – [48].

[16] 1 CBOD 125 – 129.

Version No 1: 29 Oct 2026 (15:43 hrs)

(c) Clause 9: The rights and obligations of the business were revised, with 64% to the defendant and 36% to the claimant; and

(d) Clause 10: Any changes to the shareholders or directors of ART and ARS can only be made with parties' mutual agreement.

18 I will refer to the 2022 Investment Agreement, the 1st Supplemental Agreement and the 2nd Supplemental Agreement collectively as the "Investment Agreements".

19 The reduction of the claimant's shareholding in ART from 45% to 36% was not effected.[17] Instead, the claimant said that during a discussion on 3 October 2023, the defendant and he agreed to end their working relationship, and for the defendant to pay him RMB1,000,000 and S$300,000.[18] According to him, it was the defendant who had proposed buying his shares.[19] They then instructed Mr Chan to assist them in preparing an agreement and to include, amongst other things, a term that the claimant would transfer his shares to the defendant after receiving full payment.[20]

20 It was also Mr Chan's evidence that the claimant and the defendant had informed him that the defendant would be buying the claimant's shares. They asked him to draft an agreement and include a term that the claimant would transfer his shares to the defendant after receiving full payment.[21] Mr Chan also said that after the claimant and the defendant briefed him, he asked the

[17] The defendant's AEIC, [18].

[18] The claimant's AEIC, [70] – [72].

[19] Certified Transcripts ("CT"), 24 June 2026, 52:1 – 17.

[20] The claimant's AEIC, [73].

[21] Mr Chan's AEIC, [33] – [36]; CT, 13 August 2026, 43:20 – 44:18.

Version No 1: 29 Oct 2026 (15:43 hrs)

defendant privately if she wanted to pay for the claimant's shares and told her that she was not obliged to if she did not want to. The defendant confirmed that she was sure.[22]

21 The defendant denied stating that she wanted to buy the claimant's shares.[23] She claimed that she told the claimant and Mr Chan that she did not have funds to do so.[24]

22 Mr Chan then prepared a draft buyout agreement for the claimant and the defendant to sign (the "Draft Buyout Agreement"). This was initially prepared in English, with Mandarin translations inserted later. This provided that:[25]

> (a) The defendant will pay the claimant RMB1,000,000 and S$300,000 in 4 instalments, in exchange for his shares in ART, and for the shareholding transfer to be "executed concurrently";
>
> (b) All prior agreements signed by the claimant and the defendant will continue to be effective until the Draft Buyout Agreement was completed, save that the defendant will be allowed to invest in ARB in her own capacity for an activated carbon project with a third party; and
>
> (c) The defendant provided a "personal guaranty [sic]" to pay all sums that may become due.

---

[22] Mr Chan's AEIC, [38], [51]; CT, 13 August 2026, 55:3 – 9.

[23] CT, 14 August 2026, 27:18 – 20; 86:22 – 30.

[24] CT, 14 August 2026, 29:18 – 30:5.

[25] 1 CBOD 159 – 163.

Version No 1: 29 Oct 2026 (15:43 hrs)

23 In the meantime, the claimant prepared a draft termination agreement in Mandarin, which he said was prepared in case the defendant rejected the Draft Buyout Agreement.[26] The claimant said that when he prepared this draft, he overlooked including a term providing for his shares in ART to be transferred.[27]

24 During a meeting on 8 October 2023, the defendant informed the claimant that she was not agreeable to the Draft Buyout Agreement. The claimant then gave her the draft termination agreement for her consideration. They then informed Mr Chan that they would need his assistance to finalise the draft termination agreement. The claimant then left it to Mr Chan to discuss this with the defendant.[28]

25 There were several rounds of negotiations and Mr Chan amended the draft termination agreement to incorporate the defendant's amendments. He said that during the first round of amendments, he had asked the defendant again if she was sure that she wanted to pay the claimant for his shares and reiterated that she was not obliged to. The defendant allegedly confirmed once more that she wanted to.[29]

26 The defendant, on the other hand, said that the claimant and Mr Chan misled her into believing that she was personally liable for the claimant's investment. Mr Chan told her not to seek legal advice and pressured her to sign the Termination Agreement. She therefore entered into the Termination Agreement in the mistaken belief that she was personally liable to pay the

[26] The claimant's AEIC, [82] – [83].

[27] The claimant's AEIC, [97]; CT, 24 June 2026, 46:27 – 31.

[28] The claimant's AEIC, [84] – [87].

[29] Mr Chan's AEIC, [44], [51]; CT, 13 August 2026, 32:7 – 21, 55:3 – 9.

Version No 1: 29 Oct 2026 (15:43 hrs)

claimant for his investment in ART.[30] Mr Chan denied telling the defendant not to seek legal advice.[31]

27 The Termination Agreement was signed by the claimant and the defendant separately on 29 October and 1 November 2023 respectively.[32]

28 The key terms of the Termination Agreement provided that:

(a) Clause 1: The defendant will refund/return the RMB1,000,000 which the claimant had paid for the technology and intangible assets in two tranches: (1) RMB300,000 within 3 days of execution of the Termination Agreement; and (2) RMB700,000 by 30 November 2023, upon which the provisions in the previous agreements relating to the purchase of all technology and intangible assets by the claimant from the defendant will be terminated, and the proceeds from technology investment or technology dividends of the defendant will have nothing to do with the claimant;

(b) Clause 2: The defendant would refund/return the claimant's investment of S$300,000 (though he had paid S$330,000) in 3 equal instalments: by 31 December 2023, 31 March 2024 and 30 June 2024;

(c) Clause 3: Prior to the full payment of the above outstanding amounts, the previous agreements signed by the parties shall continue to be binding on the defendant; and

[30] The defendant's AEIC, [24] – [27].

[31] CT, 13 August 2026, 11:3 – 13.

[32] 1 CBOD 168 – 171; the claimant's AEIC, [88] – [95].

Version No 1: 29 Oct 2026 (15:43 hrs)

(d) Clause 5: After all outstanding payments have been made by the defendant, the claimant shall issue a written proof of payment, and the existing agreements between the parties shall automatically terminate in full.

29 The Termination Agreement did not contain any express provision for the claimant's shares to be transferred to the defendant.[33]

30 The claimant said that it did not cross either the defendant's mind or his own to include a term for the transfer of his shares to the defendant in the Termination Agreement.[34] The defendant also said that it did not cross her mind to include such a term[35], but maintained that she never stated that she wanted to buy his shares.[36] Mr Chan did not know why the Termination Agreement eventually did not include such a term and did not ask the claimant about it.[37]

31 Mr Chan left ART on 31 October 2023[38] and joined the claimant as Chief Operating Officer of 6R Enviro Pte Ltd on 6 November 2023.[39]

32 Between 5 to 30 November 2023, the defendant made various payments to the claimant totalling RMB1,000,000, pursuant to Clause 1 of the Termination Agreement.[40]

---

[33] The defendant's AEIC, [31].

[34] The claimant's AEIC, [97]; CT, 24 June 2026, 46:27 – 31.

[35] CT, 14 August 2026, 67:30 – 68:8.

[36] CT, 14 August 2026, 86:27 -31.

[37] CT, 13 August 2026, 41:7 – 42:24.

[38] Mr Chan's AEIC, [6].

[39] Mr Chan's AEIC, [18]; CT, 13 August 2026, 11:14 – 12:8.

[40] The claimant's AEIC, [104].

Version No 1: 29 Oct 2026 (15:43 hrs)

33 On 31 December 2023, the defendant paid the claimant S$100,000, being the first instalment pursuant to Clause 2 of the Termination Agreement.[41] The defendant said she did so mistakenly, believing that she was obliged to.[42]

34 On 26 January 2024, ARB entered into an investment agreement with one Matex International Limited ("Matex") to utilise the Technologies and Intellectual Property Rights.[43]

35 On 1 March 2024, the claimant received several documents from Jade, an employee of ART. These included a share transfer form for a proposed transfer of 1.1 million ART shares from the claimant to the defendant for consideration of S$100,000.[44] The defendant said she instructed for this to be prepared as she had paid the S$100,000 mistakenly and it was clear that the claimant was not agreeable to returning the same.[45] On the stand, the defendant said that it was her company secretary who said that this was necessary to explain why S$100,000 had been paid from ART's account, and it was on his advice that she instructed Jade to send out the share transfer forms.[46]

36 The claimant did not sign these documents. He said that the second instalment of S$100,000 had not yet become due. All existing agreements with the defendant would only terminate in full upon all outstanding payments being

---

[41] The claimant's AEIC, [105].

[42] The defendant's AEIC, [29].

[43] 1 CBOD 190 – 197.

[44] 1 CBOD 216 – 218.

[45] The defendant's AEIC, [32].

[46] CT, 14 August 2026, 71:14 – 73:22, 76:7 - 26, 78:22 - 80:27.

Version No 1: 29 Oct 2026 (15:43 hrs)

made, and there was nothing requiring him to transfer his shares to her in tranches.[47]

37 The defendant did not subsequently pay the 2 instalments of S$100,000 which were due by 31 March 2024 and 30 June 2024.[48] She said she did not do so after being advised by her solicitors.[49]

38 The claimant currently still holds 4,500,000 ordinary shares in ART, or 45% of its total ordinary shares. The defendant holds the remaining 5,500,000 ordinary shares in ART, equivalent to 55% of ART's total ordinary shares.[50] The defendant ceased to be a director of ART on 22 August 2024.[51]

Parties' positions in these proceedings

39 The claimant sought payment of the balance S$200,000 under the Termination Agreement; alternatively, damages for breach of the Termination Agreement. He argued that it was implied that his 45% shareholding interest in ART would be transferred to the defendant in full upon satisfaction of all outstanding payments owed by the defendant to the claimant under the Termination Agreement (the "Alleged Share Transfer Term").[52] The claimant has therefore undertaken to deliver a signed share transfer form to the defendant or her solicitors to transfer all his 4,500,000 shares to the defendant, within 3 working days of receiving payment of S$200,000 from the defendant.[53]

---

[47] The claimant's AEIC, [107], [119].

[48] The claimant's AEIC, [122].

[49] The defendant's AEIC, [29].

[50] The claimant's bundle of documents Vol. 2 ("2 CBOD") 67 – 70.

[51] 2 CBOD 72 – 73.

[52] Statement of Claim (Amendment No. 1) ("SOC"), [18A].

[53] The claimant's AEIC, [125].

Version No 1: 29 Oct 2026 (15:43 hrs)

40 The claimant also sought in the alternative, damages for breach of the Investment Agreements arising from ARB's entry into an investment agreement with Matex, which he said was entered into without his consent.[54]

41 The defendant denied that she was liable to pay the claimant S$200,000. She pleaded that the Termination Agreement was void for a mistake of law and/or fact[55], voidable for misrepresentation[56], and unenforceable for want of consideration.[57] She also disputed the existence of the Alleged Share Transfer Term.[58] She therefore counterclaimed for the first instalment of S$100,000 which she had paid the claimant.

42 In closing submissions, she clarified that she was only challenging Clause 2 of the Termination Agreement by which she agreed to pay the claimant S$300,000, and not Clause 1 of the Termination Agreement by which she agreed to pay the claimant RMB1,000,000 to be released from her obligations in the Investment Agreements relating to technology and intangible assets. She claimed that these were distinct transactions and the arrangement under Clause 1 should remain effective.[59]

43 The defendant also denied that there was any breach of the Investment Agreements because, pursuant to Clause 1 of the Termination Agreement, all

---

[54] SOC, [23] – [26].

[55] Defence (Amendment No. 1) ("Defence"), [20].

[56] Defence, [21].

[57] The defendant's AEIC, [28]; Defence, [21A(ii)].

[58] Defence, [21A].

[59] The defendant's closing submissions ("DCS"), [93]; The defendant's reply submissions ("DRS"), [44].

Version No 1: 29 Oct 2026 (15:43 hrs)

obligations relating to technology and intangible assets would be terminated once the defendant paid RMB1,000,000 to the claimant.[60]

44 The claimant's position was that there was no mistake and the Termination Agreement was supported by consideration.[61] The claimant also denied that there was any misrepresentation.[62]

45 At this juncture, I note that parties had obtained their own translations of the Investment Agreements and Termination Agreements. They have however not contended that there are any material differences between the translations or that I should prefer one version over the other.

Was Clause 2 of the Termination Agreement supported by consideration

46 Parties accept that a prerequisite to a valid contract is the existence of valuable consideration: *Gay Choon Ing v Loh Sze Ti Terence Peter and another appeal* [2009] 2 SLR(R) 332 ("*Gay Choon Ing*") at [46]. This has been defined as some right, interest, profit or benefit accruing to one party, or some forbearance, detriment, loss or responsibility, given, suffered or undertaken by the other: *Gay Choon Ing* at [67].

47 The defendant, in her closing submissions, initially accepted that a release from prior contractual obligations may constitute sufficient consideration, and that she did not "rest her case on the proposition that no consideration whatsoever could exist."[63] However, in her reply submissions, she

---

[60] Defence, [28] – [33].

[61] Defence to Counterclaim (Amendment No. 1) ("Defence to Counterclaim"), [6].

[62] Defence to Counterclaim, [7].

[63] DCS, [33], [79] – [82].

Version No 1: 29 Oct 2026 (15:43 hrs)

maintained that she was not bound by Clause 2 of the Termination Agreement because, while the defendant's payment of RMB1,000,000 under Clause 1 of the Termination Agreement was supported by consideration (in the form of the claimant's release of the defendant from the provisions relating to technology and intangible assets in the Investment Agreements), there was no "identifiable fresh consideration" for Clause 2 by which the defendant agreed to return the claimant's investment of $300,000.[64]

48 The claimant submitted that the Termination Agreement was supported by good consideration moving from the claimant to the defendant, in the form of: (1) the claimant's release of the defendant from her continuing obligations under the Investment Agreements, and (2) the claimant's transfer of his shares in ART to the defendant upon her full payment of the sums under Clause 2 of the Termination Agreement, in accordance with the Alleged Share Transfer Term.[65]

49 The defendant has not cited any authorities for her submission that each promise in a contract must be supported by an "identifiable fresh consideration".[66]

50 Even if I accept that the payment obligation in Clause 2 must be supported by separate consideration, there was, in my view, still valuable consideration moving from the claimant to the defendant. While I am not convinced that the Alleged Share Transfer Term should be implied, there was valuable consideration in the form of the claimant's agreement to release the

[64] DRS, [7], [18], [42], [44], [46], [47], [48].

[65] The claimant's closing submissions at [16].

[66] DRS, [7].

Version No 1: 29 Oct 2026 (15:43 hrs)

defendant from all her other continuing obligations under the Investment Agreements.

The defendant's release from her other obligations under the Investment Agreements

51 A release from further performance or liability constitutes good consideration: see for instance: *Buildspeed Construction Pte Ltd (in liquidation) v Theme Corp Pte Ltd* [2000] 1 SLR(R) 287 at [22] and *Broadley Construction Pte Ltd v Alacran Design Pte Ltd* [2018] 2 SLR 110 at [23] - [25].

52 The defendant agreed during cross-examination that the 2022 Investment Agreement placed various obligations/restrictions on her, including:

(a) Not being able to work with third parties[67];

(b) A warranty that her shares in ART were not pledged or assigned[68];

(c) The requirement that all projects had to be carried out under ART[69] and not in her personal capacity[70];

(d) ART to own all income derived from technology investments[71];

(e) Transferring her ARS shares to ART[72]; and

---

[67] CT,13 August 2026, 79:8 – 10.

[68] CT,13 August 2026, 79:11 – 13.

[69] CT,14 August 2026, 5:12 – 20.

[70] CT, 13 August 2026, 78:29 – 79:7, 80:15 -25.

[71] CT,13 August 2026, 82:29 – 83: 6, 19 – 23.

[72] CT,14 August 2026, 5: 21 – 24.

Version No 1: 29 Oct 2026 (15:43 hrs)

(f) Not being able to unilaterally decide on matters relating to ART, such as external investments into ART, external partnerships, amendments to ART's articles and hiring or terminating employees.[73]

53 She also accepted that the 1st Supplemental Agreement obliged her to:

(a) Share any profits earned by Boce as ART's sole import and export agent in China with the claimant, according to the parties' respective shareholdings in ART, namely 55% to her and 45% to the claimant, which she would otherwise have been entitled to keep in full[74];

(b) Provide a warranty that any other business of Boce did not adversely affect the claimant's interest and agree that the claimant could seek compensation from her if he suffered any losses due to Boce's business operations.[75]

54 The defendant agreed that the 2nd Supplemental Agreement provided that any changes to the shareholders or directors of ART and ARS required the parties' mutual agreement.[76]

55 It was only upon the defendant's payment of the S$300,000 that the defendant would be released from all these obligations under the Termination Agreement. Clause 3 of the Termination Agreement stated that "prior to the full payment of the abovementioned outstanding amounts made by [the defendant], the provisions of the [Investment Agreements] shall continue to be binding on

[73] CT, 13 August 2026, 87:29 – 88:4.

[74] CT, 13 August 2026, 90:1 – 91:8.

[75] CT, 13 August 2026, 92:10 – 20.

[76] CT, 13 August 2026, 94:26 – 95:5.

Version No 1: 29 Oct 2026 (15:43 hrs)

[the defendant].” Similarly, Clause 5 of the Termination Agreement stated that “after all outstanding payments have been made by [the defendant], [the claimant] shall issue a written proof of payment to [the defendant], and [the Investment Agreements] shall automatically terminate in full”.

56 On this basis alone, Clause 2 of the Termination Agreement was supported by valuable consideration.

The Alleged Share Transfer Term

57 For completeness, I set out the reasons why I am of the view that the Alleged Share Transfer Term should not be implied into the Termination Agreement.

58 Parties agree that the applicable test for implying a term is set out in *Sembcorp Marine Ltd v PPL Holdings Pte Ltd* [2013] 4 SLR 193 (“*Sembcorp*”) at [101]:

(a) First, the court must ascertain how the gap in the contract arose. A court will only consider implying a term if the gap arose because parties did not contemplate the gap;

(b) Second, the court considers if it is necessary in the business or commercial sense to imply a term to give the contract efficacy; and

(c) Third, the court considers the specific term to be implied, which must be one which the parties would have responded “Oh, of course” had the term been put to them at the time of contract. If it is not possible to find such a clear response, then the gap persists and the consequences of that gap ensue.

Version No 1: 29 Oct 2026 (15:43 hrs)

59 The threshold for implying a term is necessarily a high one: *Sembcorp* at [100].

How did the gap in the contract arise?

60 Parties accept that the Termination Agreement did not expressly provide for a share transfer from the claimant to the defendant. This was even though it had been included as a term in the Draft Buyout Agreement which parties had discussed but did not eventually execute. The question is therefore how this gap in the Termination Agreement came about.

61 A court will not imply a term if the gap arose because: (1) parties contemplated the issue but chose not to provide for it because they mistakenly thought that the express terms of the contract had adequately addressed it; or (2) the parties contemplated the issue but chose not to provide any term for it because they could not agree on a solution. This is because the court seeks to give effect to parties' presumed intentions at the time of the contract rather than their actual intentions (i.e. scenario (1)) and would not imply a term that would go against their actual intentions (i.e. scenario (2)): *Sembcorp* at [94], [85].

62 Parties disagree on whether the defendant had stated that she would be buying the claimant's shares in ART. The claimant submitted that the defendant's claim that she did not want to buy the claimant's shares should not be believed because she had signed the Termination Agreement intending that the claimant would leave ART, which must mean that the claimant had to transfer his shares to her.[77] The claimant also relied on the defendant's subsequent conduct in arranging for a partial share transfer. On the other hand, the defendant submitted that the claimant's own evidence in an earlier affidavit

[77] CT, 14 August 2026, 66:1 - 67:25.

Version No 1: 29 Oct 2026 (15:43 hrs)

was that the defendant had offered to repay his investment, which is different from an offer to buy shares.[78] She also argued that parties' use of the word "refund" or "return" in the Termination Agreement to describe the payment of the S$300,000 showed that they did not intend a share purchase.

63 Regardless, the claimant's own evidence was that parties had discussed the transfer of the claimant's shares to the defendant during their meeting on 3 October 2023, pursuant to which Mr Chan drafted the Draft Buyout Agreement to include this term.[79] Put another way, even if I accept the claimant's evidence, parties had contemplated the issue but did not provide for it because they mistakenly thought that the express terms of the contract had adequately addressed it. This is thus not a case of a "true" gap that only arose due to the parties not contemplating the issue, which can then be remedied by the implication of a term.

64 I am not persuaded by the claimant's attempt to distinguish the negotiations leading to the Draft Buyout Agreement and the negotiations leading to the Termination Agreement. The claimant had argued that the relevant period of inquiry should be confined to the latter.[80] The distinction, to me, is artificial. Parties had begun discussing the draft Termination Agreement shortly after they decided not to proceed with the Draft Buyout Agreement, and both draft agreements were on the common issue of how the claimant would exit ART.

---

[78] CT, 24 June 2026, 40:5 – 22.

[79] The claimant's AEIC, [70] – [73].

[80] CRS, [15].

Version No 1: 29 Oct 2026 (15:43 hrs)

65 Where parties had actually intended a term but mistakenly believed that the document accurately recorded the transaction, the proper remedy is not implication but rectification of the instrument in equity: *Sembcorp* at [96]. However, the claimant has not sought rectification of the Termination Agreement.

Is the Alleged Share Transfer Term necessary for business efficacy?

66 Even if there were a "true" gap, such a term would not be necessary for business efficacy. Clause 2 of the Termination Agreement provided for the amounts to be paid by the defendant to the claimant, the timelines for each payment, and for the Investment Agreements to terminate upon full payment. This transaction could still be performed without the Alleged Share Transfer Term.

67 The claimant conceded that the Termination Agreement was workable even without the Alleged Share Transfer Term.[81] However he argued that it was still necessary to give business efficacy to the transaction as parties must have intended, which as agreed to by the defendant, was for the claimant to leave ART and for the defendant to be the sole remaining shareholder.[82]

68 As noted by the court in *Sembcorp*, the efficacy of a contract invariably straddles a spectrum and ultimately, a court should be cognisant that it should not rewrite the contract for the parties based on its own sense of what is fair and just, or improve the contract parties made for themselves, however, desirable the improvement might be: [86] – [88].

---

[81] The claimant's reply submissions ("CRS"), [22].

[82] CT, 14 August 2026, 65:11- 66:18.

Version No 1: 29 Oct 2026 (15:43 hrs)

Does it pass the officious bystander test

69 The officious bystander test is instrumental in determining whether a specific term should be implied: *Sembcorp* at [88].

70 The defendant argued that there could be other possible means by which the claimant would exit ART, such as via a share buyback or share cancellation. However, given that the Termination Agreement expressly provided for the defendant, not ART, to pay the claimant, the more natural implication would be for the claimant to transfer his shares to the defendant, rather than a share buyback or share cancellation.

71 Nonetheless, even if the claimant's exit was to be by way of a share transfer, this could be effected in tranches and in proportion to each of the 3 instalment payments, and not necessarily only upon full payment. Hence had the Alleged Share Transfer Term been put to the parties, they would still not necessarily have responded with a "but of course".

72 The defendant's subsequent conduct in arranging for a partial transfer of the claimant's shares after she had paid S$100,000 did not, as the claimant argued, support a finding that the Alleged Share Transfer Term was so obvious that it went without saying. Instead, it shows that a share transfer could also take place in tranches.

73 Lastly, the claimant argued that the Alleged Share Transfer Term would afford greater business efficacy given that each instalment under Clause 2 was to be paid within 6 months.[83] However, as cautioned by the court in *Sembcorp*,

[83] CRS, [25].

Version No 1: 29 Oct 2026 (15:43 hrs)

it is not the role of the court to rewrite or improve the contract for parties (see [68] above).

Is Clause 2 of the Termination Agreement void for mistake in law and/or fact

74 A party to a contract is generally bound even if he made a mistake entering into the contract. Exceptionally though, the contract would be void where the mistake is sufficiently important or fundamental and the offeree had actual knowledge that the offeror did not intend the terms of the offer to be the natural meaning of the words. Even if the non-mistaken party only had constructive knowledge of the other party's mistake, equity can still intervene and grant relief where there is also evidence of unconscionable conduct or sharp practice on the part of the non-mistaken party: *Chwee Kin Keong v Digilandmall.com Pte Ltd* [2005] 1 SLR(R) 502 ("*Digilandmall*") at [30] – [31], [34], [80] – [83].

75 First, what was the alleged mistake and was it sufficiently important or fundamental?

76 It is significant that the defendant has not alleged that she did not know what she was signing or that she was mistaken as to the terms of the Termination Agreement, such as the identity of the parties, the nature of the subject matter, or the obligations under the Termination Agreement. She accepted that she was fluent in Mandarin, was able to understand an agreement that was written in Mandarin, and was also able to reject terms in Mandarin that she did not agree

Version No 1: 29 Oct 2026 (15:43 hrs)

with.[84] She accepted that she was aware that she was agreeing to pay the claimant.[85]

77 Instead, she claimed that her mistake was to the "legal and corporate basis on which she was being required to make those payments" under Clause 2.[86] She said she signed the Termination Agreement in the mistaken belief that because she would be the sole remaining shareholder in ART, she had to repay the claimant for his investment in ART, even though she was not required to do so under the law.[87]

78 Further, the defendant has not argued that the entire Termination Agreement was void for mistake. She maintained that Clause 1 of the Termination Agreement, by which she agreed to pay the claimant RMB1,000,000 in exchange for being released from all obligations relating to technology and intangible assets in the Investment Agreements, was separable and should remain effective.[88] She has only contended that Clause 2 should be void for mistake.

79 The claimant contended that the defendant could not have been labouring under a mistake because she arranged for a partial transfer of the claimant's shares and did not allege mistake for more than 3 months after paying the first S$100,000. The defendant however said this was because she only

[84] DCS, [7], [23]; CT, 13 August 2026, 76:7 – 77:14; CT, 14 August 2026, 85:16– 20.

[85] DCS, [7], [64]; CT, 14 August 2026, 60:24–30, 65:11-21.

[86] DCS, [64].

[87] Defence, [20]; CT, 14 August 2026, 60:24–30, 65:11-21.

[88] DCS, [93].

Version No 1: 29 Oct 2026 (15:43 hrs)

realised her mistake later when the claimant refused to sign the share transfer form.[89]

80 Even assuming that the court can invalidate only part of a contract on the ground of mistake (for which the defendant has not cited any authorities) and even if I accept that the defendant mistakenly believed that she was already liable to pay the claimant, I am not convinced that such an alleged mistake rendered Clause 2 of the Termination Agreement void.

81 The law looks at the objective facts to determine whether a contract has come into being and the real motive or intention of the parties is irrelevant: *Digilandmall* at [30]. The defendant's alleged mistake, which only related to reasons she decided to accept Clause 2 of the Termination Agreement, did not prevent parties from reaching consensus ad idem. It is not a mistake as to a term of the Termination Agreement or its scope or effect.

82 Even if this amounted to a sufficient or fundamental mistake as to a term of the Termination Agreement, there was no actual or constructive knowledge on the claimant's part.

83 The defendant argued that the claimant had actual and/or constructive knowledge of her mistake because: (1) she had communicated her refusal to sign the Draft Buyout Agreement which had a personal guarantee and provided for a share transfer; (2) the Termination Agreement only referred to a return/refund of the claimant's investment rather than a share purchase; and (3) the claimant allegedly knew of both the defendant's and ART's lack of funds.[90]

---

[89] CT, 14 August 2026, 78:4- 31.

[90] The claimant only agreed that he knew of ART's lack of funds: CT, 24 June 2026, 32:27- 31, 34:1-16, 40:6 – 41: 9.

Version No 1: 29 Oct 2026 (15:43 hrs)

84 The above do not support an inference of actual or constructive knowledge. None of these matters would put the claimant on notice that the defendant only agreed to Clause 2 of the Termination Agreement because she thought she was personally liable as a shareholder of ART to repay the claimant.

85 Further, the defendant had time to review the draft Termination Agreement. A draft had been given to her on 8 October 2023 and she only signed the Termination Agreement on 1 November 2023. In the intervening period, there were also several rounds of negotiations.[91] The defendant agreed that she had proposed amendments which Mr Chan had incorporated.[92] While the defendant claimed on the stand that she was unable to confirm if all her amendments had been incorporated as she did not have the original hard copies, she has not in these proceedings contended that any of her amendments had not been incorporated.

86 It would therefore have been reasonable for the claimant to have assumed that the defendant had read and was agreeable to the terms of the Termination Agreement. Moreover, the defendant was a university graduate[93] with 14 years of experience working in environmental management.[94]

87 I therefore find that the Termination Agreement was not void for mistake.

---

[91] 2 CBOD 140 – 149; CT, 24 June 2026, 8:4 – 9:10.

[92] CT, 14 August 2026, 40:29 - 47:8.

[93] CT, 13 August 2026, 66:11 – 13.

[94] CT, 13 August 2026, 67:29 – 32.

Version No 1: 29 Oct 2026 (15:43 hrs)

Is Clause 2 of the Termination Agreement voidable for misrepresentation

88 The defendant appeared to be asserting fraudulent misrepresentation, as she has, in closing submissions, relied on the case of *Panatron Pte Ltd and another v Lee Cheow Lee and another* [2001] 2 SLR(R) 435. To make out fraudulent misrepresentation, the following elements must be proven (at [14]):

(a) A representation of fact by words or conduct;

(b) An intention that it be acted upon by the representee;

(c) The representee acted upon the representation;

(d) The representee suffered damage as a result; and

(e) The representor made the representation with knowledge that it was false: either wilfully false or made in the absence of any genuine belief that it is true.

89 The defendant said that the claimant and Mr Chan represented to her that she was personally liable to repay the claimant's investment and she should enter into the Termination Agreement.[95] This was untrue because she was not personally liable to the claimant for his investment in ART. The claimant and Mr Chan knew that it was false because they knew that she was not agreeable to purchasing the claimant's shares yet used this to obtain her personal undertaking to pay the claimant. She was thereby induced to enter into the Termination Agreement.[96]

[95] Defence, [21].

[96] DCS, [37] – [39].

Version No 1: 29 Oct 2026 (15:43 hrs)

90 Even assuming that the court can order a partial rescission of a contract for misrepresentation (for which no authorities were cited), the defendant has not been able to identify a specific statement or conduct which could amount to a representation that she was personally liable to repay the claimant's investment and thus should enter into the Termination Agreement.

91 The only matters she relied on as allegedly amounting to a misrepresentation were as follows:[97]

(a) The defendant was misled by the claimant to repay the claimant the money which he invested, as set out in the Termination Agreement, when the defendant should not be legally required to do so:

(b) The claimant took advantage of the fact that the defendant had little legal experience and he misled or let the defendant think that this was a partnership between the defendant and the claimant and at all material times the defendant was personally liable to the claimant for his investment;

(c) The claimant also colluded with Mr Chan who has since resigned but continued to assist the claimant including but not limited to chasing the defendant for payment;

(d) Mr Chan was constantly telling the defendant to quickly sign the agreements to let ART move forward;

(e) Mr Chan also told the defendant that it was for ART's good and that he would convince the claimant to prepare a Chinese agreement when the defendant was reluctant to sign the Draft Buyout Agreement;

[97] Defence, [21]; the defendant's AEIC, [24] – [27].

Version No 1: 29 Oct 2026 (15:43 hrs)

(f) When the defendant was contemplating whether to seek legal advice, Mr Chan said it was a waste of money and the defendant should just sign; and

(g) The defendant trusted Mr Chan because he used to be the defendant's employee, but he has since resigned and has been helping the claimant to force the defendant to make payment. Mr Chan is also working for a company that is competing with ART.

92 Neither the defendant's pleadings nor her AEIC contained any reference to any specific statement(s) made by either the claimant or Mr Chan to the effect that she was personally liable to repay the claimant's investment and should thus enter into the Termination Agreement. The alleged statements that she should, in the interest of ART, quickly sign the agreement and not seek legal advice, even if true, cannot equate a representation that she was personally liable to repay the claimant's investment. Likewise, the assertion that Mr Chan was colluding with the claimant cannot amount to such a representation.

93 An additional hurdle the defendant faced was attributing Mr Chan's alleged statements to the claimant. It was the defendant who brought Mr Chan in as ART's Chief Operating Officer.[98] Mr Chan said he was merely trying to help both the claimant and the defendant.[99]

94 The defendant has not explained if she was asserting that Mr Chan had actual or implied authority, such that Mr Chan's alleged statements bound the claimant. Further, the only matter she relied on for arguing that they had colluded was the fact that Mr Chan joined the claimant in his new company after

[98] Mr Chan's AEIC, [9] – [10].

[99] CT,13 August 2026, 16:14 – 27.

Version No 1: 29 Oct 2026 (15:43 hrs)

Mr Chan left ART, which she only found out about after signing the Termination Agreement.[100] This alone is not sufficient to find that Mr Chan had actual or implied authority to make any representations on the claimant's behalf during the discussions leading to the Termination Agreement.

95 The defendant has therefore failed to make out a claim in fraudulent misrepresentation.

The claimant's entitlement to the balance $200,000 versus the defendant's counterclaim for $100,000

96 As I have found the Termination Agreement to be supported by consideration, and not void for mistake or voidable for misrepresentation, the defendant remains obliged to pay the claimant the remaining S$200,000. This is regardless of whether the Alleged Share Transfer Term should be implied, as Clause 2 of the Termination Agreement contains a clear obligation for the defendant to make these payments. The defendant's failure to pay was in breach of the Termination Agreement.

97 The claimant is therefore entitled to recover S$200,000. It also follows that the defendant is also not entitled to seek repayment of S$100,000 which she was obliged to pay under the Termination Agreement.

Claim for breach of the Investment Agreements

98 I now deal with the claimant's alternative case for breach of the Investment Agreements, on the basis that ARB had entered into an investment

[100] The defendant's AEIC, [22].

Version No 1: 29 Oct 2026 (15:43 hrs)

agreement with Matex to utilise the Technologies and Intellectual Property Rights on 26 January 2024.[101]

99 The claimant's closing submissions and reply submissions did not address this alternative claim at all. The claimant therefore did not appear to be maintaining this claim.

100 In any case, the defendant had already paid the claimant RMB1,000,000 in November 2023 pursuant to Clause 1 of the Termination Agreement. Pursuant to Clause 1, all provisions in the parties' existing agreements relating to the purchase of all technology and intangible assets shall be terminated, and all income derived by the defendant from technology investments or technology dividends would have nothing to do with the claimant.

101 In any event, the claimant has also not adduced any evidence of loss caused by the defendant's alleged breach.

102 I therefore dismiss this alternative claim.

Conclusion

103 For the reasons above, the defendant is to pay the claimant S$200,000 with interest at the rate of 5.33% per annum from the date of this judgment to the date of payment. I expect the claimant to comply with his undertaking to deliver a signed share transfer form to the defendant or her solicitors to transfer all his 4,500,000 shares in ART to the defendant, within 3 working days of receiving payment of S$200,000 from the defendant.[102]

---

[101] SOC, [25].

[102] The claimant's AEIC, [125].

Version No 1: 29 Oct 2026 (15:43 hrs)

104 Unless parties can agree on costs, they are to file brief costs submissions, limited to 10 pages, within 2 weeks of the date of this judgment.

Sim Mei Ling
District Judge

Lye May-Yee, Jaime, Tan Su, Ng Jun Ren, Caleb (Meritus Law LLC) for the claimant;
Han Wah Teng (CTLC Law Corporation) for the defendant

Version No 1: 29 Oct 2026 (15:43 hrs)