

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

[2025] SGHC 204

Suit No 364 of 2022

Between

- (1) Park Hotel Management Pte
Ltd (in liquidation)
- (2) Aw Eng Hai
- (3) Kon Yin Tong

... Plaintiffs

And

- (1) Law Ching Hung
- (2) Park Hotel Group Management
Pte Ltd
- (3) Good Movement Holdings
Limited
- (4) Sg. Inst. Of Hospitality Pte Ltd

... Defendants

JUDGMENT

[Civil Procedure — Interest — Pre-judgment interest]

[Civil Procedure — Discovery]

[Damages — Assessment — Costs for unravelling a conspiracy]

[Civil Procedure — Costs — Indemnity costs]

[Civil Procedure — Costs — Certificate for costs for more than two solicitors]

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Park Hotel Management Pte Ltd (in liquidation) and others
v
Law Ching Hung and others

[2025] SGHC 204

General Division of the High Court — Suit No 364 of 2022

Hri Kumar Nair JCA

11–14, 18–20, 25–28 February, 4–7 March, 2 May, 21 June, 27 August, 17,
26 September 2025

16 October 2025

Judgment reserved.

Hri Kumar Nair JCA:

Introduction

1 On 6 August 2025, I issued my decision on liability in this action (“6 August Decision”) and directed parties to file further submissions on the appropriate reliefs and costs (“Further Submissions”). This is my decision on those issues.

Background

2 The background to this dispute is set out in the 6 August Decision, reported in *Park Hotel Management Pte Ltd (in liquidation) v Law Ching Hung* [2025] SGHC 149. I adopt the definitions set out therein.

3 In the 6 August Decision, I found, amongst other things, that: (a) Mr Law had caused PHMPL’s viable businesses and assets to be transferred to the Defendant Companies at a gross undervalue; (b) Mr Law had caused various cash amounts and receivables belonging to PHMPL to be transferred to him or entities owned and/or controlled by him when PHMPL was insolvent or in a financially parlous state; (c) Mr Law’s conduct amounted to breaches of his fiduciary duty to PHMPL; and (d) in respect of the businesses and assets that were transferred to them, the Defendant Companies were jointly and severally liable with Mr Law on the basis of knowing receipt, dishonest assistance and unlawful means conspiracy.

4 My valuation of the businesses and assets which were transferred to the Defendant Companies, the cash payments which Mr Law is liable to repay (“Cash Payments”) and the receivables which Mr Law had wrongfully diverted from PHMPL (“Receivables”) have been set out in Annexes 1, 2 and 3 respectively of the 6 August Decision.

Matters not contested

5 The following reliefs are not contested by the defendants given my findings in the 6 August Decision.

6 First, Mr Law is to pay the total amount of the Cash Payments set out in Annex 2 of the 6 August Decision of S\$10,134,329.54.¹

7 Second, Mr Law is to pay the total amount of the Receivables set out in Annex 3 of the 6 August Decision, save for the amount of (a) S\$500,000 for the

¹ Plaintiff’s Further Submissions on Reliefs, Other Orders and Costs filed 17 September 2025 (“PWS”) at para 7; Defendant’s Further Submissions on Reliefs and Costs filed 17 September 2025 (“DWS”) at para 12.

sale of shares in Yan Pte Ltd; (b) S\$2,889,000 for the sale of the HMAs under the ASTA; and (c) S\$52,800 for the sale of shares in Park Hotel Maldives.²

8 I agree with the defendants that, in respect of Yan Pte Ltd, the plaintiffs have elected for an account of profits and cannot therefore also claim the value of its shares. In respect of the HMAs and the shares in Park Hotel Maldives, the plaintiffs have yet to elect their remedy and are not entitled to claim both the value of the HMAs/shares *and* the profits earned on those assets. The amount payable by Mr Law (excluding interest) in respect of the Receivables is therefore S\$18,893,820.22.³ For the avoidance of doubt, this does not include sums that may be payable after the plaintiffs make their election and/or the taking of the relevant accounts.

9 Third, Mr Law and PHGM are to pay, on a joint and severable basis: (a) the market value of PHMPL’s trademarks which were transferred to PHGM, which I have assessed at [340] of the 6 August Decision to be S\$1,875,552; and (b) any goods and services tax (“GST”) or additional GST that may be imposed on the transfer.⁴

10 Fourth, Mr Law and PHGM are to pay, on a joint and several basis: (a) the market value of the records, business names, business information, intellectual property rights, information and technology systems, and the benefit of insurance policies and business claims which were transferred to PHGM, which I have assessed at [295] of the 6 August decision to be S\$64,373.75,

² PWS at para 7; DWS at para 12.

³ DWS at para 13.

⁴ PWS at paras 13(1) and 14; DWS at paras 15 and 17.

minus the sum of S\$62,300.05 which was paid by way of set-off, *ie*, S\$2,073.70; and (b) any GST or additional GST that may be imposed on the transfer.⁵

11 Fifth, Mr Law and SIOHPL are to pay, on a joint and severable basis: (a) the value of the business and assets transferred to SIOHPL under the BTA, which I have assessed at [291] of the 6 August Decision to be S\$2,611,206, minus the consideration sum of S\$200,000 under the BTA, *ie*, S\$2,411,206; and (b) any GST or additional GST that may be imposed on the transfer.⁶

12 Sixth, given that the plaintiffs have elected for the remedy of an account of profits, an account is to be taken in respect of the profits of Yan Pte Ltd from 1 March 2021 and Mr Law and GMHL are jointly and severally liable to pay the plaintiffs any amount certified on taking the account.⁷

13 I deal with the matters which are contested below.

Issues to be determined

14 There are four key issues to be determined:

- (a) whether pre-judgment interest ought to be awarded;
- (b) whether the plaintiffs should be granted discovery to enable them to elect their remedies in respect of some of their claims;
- (c) whether the costs and expenses of investigation in relation to the defendants' conspiracy ought to be awarded as damages; and
- (d) the costs to be awarded.

⁵ PWS at paras 15(1) and 16; DWS at paras 18 and 20.

⁶ PWS at paras 18(1) and 19; DWS at paras 21 and 23.

⁷ PWS at para 21; DWS at para 24.

Issue 1: Pre-judgment interest

15 The award of pre-judgment interest is governed by 12(1) of the Civil Law Act (Cap 43, 1999 Rev Ed), which provides as follows:

In any proceedings tried in any court of record for the recovery of any debt or damages, the court may, if it thinks fit, order that there shall be included in the sum for which judgment is given interest at such rate as it thinks fit on the whole or any part of the debt or damages for the whole or any part of the period between the date when the cause of action arose and the date of the judgment.

16 It is uncontroversial that the award of pre-judgment interest lies in the court's discretion. In *Grains and Industrial Products Trading Pte Ltd v Bank of India* [2016] 3 SLR 1308, the Court of Appeal stated (at [138]):

... The object of leaving [the recoverability of pre-judgment interest] to judicial discretion as opposed to laying down a fixed rule making interest payable as of right is to enable the courts to achieve justice across the infinite range of factual permutations that may confront the court by tailoring the award to fit the unique circumstances of each case. Such discretion would extend to a determination of whether to award interest at all; what the relevant rate of interest should be; what proportion of the sum should bear interest; and the period for which interest should be awarded (Harvey McGregor, *McGregor on Damages* (Sweet & Maxwell, 19th Ed, 2014) at para 18-031).

17 The defendants contend that the court should not (a) apply the default rate of 5.33% per annum; or (b) award pre-judgment interest for all categories of relief from the date of the accrual of the causes of action.⁸

18 With respect to the appropriate interest rate from the date of the writ, I see no reason to depart from the default rate of 5.33% set out in the Supreme Court Practice Direction No 77(9) of 2013. That leaves the appropriate interest rate from the date the cause of action arose until the date of the writ.

⁸ DWS at para 5.

19 In *Ong Teck Soon v Ong Teck Seng* [2017] 4 SLR 819 (“*Ong Teck Soon*”), an authority which the defendants rely on,⁹ the court awarded pre-judgment interest between the date the cause of action arose and the date of the writ at the rates applicable to the fixed and/or time deposits in which the sums misappropriated from the estate’s account were placed. Importantly, this was because (a) the plaintiff executor had not shown that the estate would have invested the money or had to borrow at a commercial rate; and (b) the plaintiff was under the impression that the misappropriated funds had been deposited in a bank account and was content for the funds to remain there. In the circumstances, awarding interest at the default rate of 5.33% would have, in the court’s view (at [85]), “overcompensate the estate for the loss of time value of the moneys”.

20 The defendants argue that because PHMPL is in liquidation and the liquidators, having custody of funds, are unlikely to take risks with such funds beyond a fixed deposit, the more appropriate interest rate to apply is the average fixed deposit rate from January 2021 to 31 August 2025.¹⁰

21 I reject that argument. First, it suggests a default rule that interests should be pegged at deposit rates in all actions brought by liquidators to recover funds belonging to, or losses suffered by, the insolvent company as most (if not all) liquidators are unlikely to engage in risky investments. I see no basis for such a rule.

22 Second, and relevant to this case, unlike the misappropriated funds in *Ong Teck Soon*, PHMPL’s assets which were misappropriated by the defendants

⁹ DWS at para 4.

¹⁰ DWS at para 7.

were not moneys sitting idly in low-interest deposit accounts. They were being, and could have been, used to support PHMPL's commercial activities. In particular, the assets could have been used to pay off the debts owed to PHCQ and GPOR's landlords. The interest on these debts was accruing at the rate of five percent per annum above the then prevailing 12-month Singapore Interbank Offered Rate ("SIOR") (in respect of PHCQ's debt, which was in excess of S\$5,922,268.89 as at 21 June 2021)¹¹ and three-month SIOR (in respect of GPOR's debt, which was in excess of S\$5,228,840.47 as at 6 May 2021)¹², *ie*, at rates exceeding 5.33%. PHMPL was therefore subject to and incurring substantial interest liabilities on account of its failure to pay or reduce those debts, which it would have been able to do had Mr Law not wrongfully diverted the Cash Payments and Receivables or obtained proper value for the assets listed in Annex 1 of the 6 August Decision. It is therefore not the case that applying the default rate of 5.33% would result in PHMPL earning a windfall and it would certainly not be just to apply the low deposit rates proposed by the defendants. On the contrary, it would be unjust to do so given that the defendants have used the diverted PHMPL's assets for their own personal and commercial benefit.

23 The defendants also contend that it is not appropriate for pre-judgment interest to be awarded from the date the cause of action arose in respect of the Receivables. This was because these were book assets, which were not readily available for PHMPL's use until such time that they were collected by the liquidators from the relevant third parties. On this basis, the defendants argue that the appropriate date from which interest should apply is the date which such

¹¹ 3AB262; Aw Eng Hai's 1st Affidavit of Evidence-in-Chief ("AEH") at para 13(4)(a)(ii).

¹² 3AB101; AEH at para 157.

moneys would or could have been recovered by the liquidators, which they say is, reasonably, within nine months after their appointment, *ie*, March 2022.¹³ With respect to some of the Receivables in the sum of S\$18,583,240.72, the defendants maintain that the relevant date should be December 2024, as the plaintiffs’ claim was only amended then to include these sums.¹⁴

24 As a rule, interest on damages should commence from the date of accrual of loss: see *Robertson Quay Investment Pte Ltd v Steen Consultants Pte Ltd* [2008] 2 SLR(R) 623 at [103], endorsing the decision in *Friis v Casetech Trading Pte Ltd* [2000] 2 SLR(R) 511 (“*Friis*”) at [48]–[49]. The principal exception to this rule is unwarranted delay by the claimant: see *Friis* at [49].

25 I see no basis to depart from the general rule. There was no unwarranted delay on the part of the liquidators in bringing this action. Further, the assertion that the liquidators would have taken nine months to recover the Receivables is speculative and irrelevant:

(a) With respect to the Receivables representing amounts owed by third parties to PHMPL prior to Mr Law’s “restructuring” – namely, the amounts due from GMHL, Yan Pte Ltd, Grand Park Maldives and Park Hotel Management (HK) Ltd – these would, but for the “restructuring”, have been reflected in PHMPL’s books and the liquidators could have asked for payment shortly after their appointment.

(b) With respect to the remainder of the Receivables and the set-offs, these arose from Mr Law’s “restructuring”, which I have found to be wrongful and calculated to cause loss to PHMPL. But for Mr Law’s

¹³ DWS at para 10.

¹⁴ DWS at para 11.

breach of fiduciary duties, PHMPL could have obtained payment on the same. PHMPL was therefore wrongfully deprived of these sums from March 2021, and interest should therefore accrue from then.

26 I also reject the defendants’ argument that interest on some of the Receivables should run from the time that the plaintiffs’ claim was amended to include them. First, there is no principled reason to adopt such an approach – the issue is when PHMPL was, or could be said to have been, wrongfully deprived of the use of the funds. Second, as I discuss below (at [48]), the liquidators’ ability to properly bring their claim was impeded by the defendants’ manipulation of PHMPL’s books and accounts and failure to give discovery of PHMPL’s internal documents. It would be unjust to order interest on these sums to only run from the date of the amendment.

27 For completeness and the avoidance of doubt, pursuant to O 42 r 12 of the Rules of Court (2014 Rev Ed) (“Rules of Court 2014”), interest will accrue with respect to the sums the defendant have been ordered to pay (see [6]–[11] above) from the date of judgment, *ie*, 6 August 2025, until the judgment is satisfied. With respect to any sums that may be payable after the plaintiffs make their election and/or the taking of the relevant accounts, the interest payable on those will be dealt with at the appropriate time.

Issue 2: Plaintiffs’ application for discovery

28 It is well established that a plaintiff is only required to make an election between remedies when they have sufficient facts to determine the most appropriate remedy: *Personal Representatives of Tang Man Sit v Capacious Investments Ltd* [1996] 2 WLR 192 at 521; *Main-Line Corporate Holdings Ltd v United Overseas Bank Ltd* [2008] SGHC 55 at [20].

29 According to the plaintiffs, they do not have sufficient information that would enable them to make an informed choice in respect of various assets which were wrongfully transferred or diverted to PHGM:¹⁵

- (a) each of the contracts, including the HMAs disposed of under the ASTA;
- (b) shares in Park Hotel Maldives, which were valued with respect to the HMA for the Grand Park Kodhipparu hotel in Maldives; and
- (c) the opportunity to manage Park Hotel Kyoto.

I refer to these collectively as the “Assets”.

30 The plaintiffs therefore seek the following information from Mr Law and PHGM:¹⁶

- (a) documents relating to and/or evidencing the breakdown of revenue earned and operating costs incurred by PHGM under, relating to or in connection with the provision of hotel management and related services for the period from 8 March 2021 to the present date in respect of the Assets; and
- (b) documents relating to and/or evidencing actual, forecasted and/or budgeted revenue, costs, profits and/or losses for the period from 8 March 2021 to the present date in respect of the business and operations of the Assets.

¹⁵ PWS at paras 23, 26.

¹⁶ PWS at Schedule 3.

31 The defendants do not dispute that further discovery may be sought for the purposes of allowing a claimant to elect its remedies. However, they contend that the discovery sought should be disallowed for various reasons.

32 First, with respect to Park Hotel Kyoto, the defendants rely on the fact that the plaintiffs had already elected at the Judge-led pre-trial conference on 3 March 2025 to ask for an account of profit for Mr Law’s diversion of the opportunity to manage Park Hotel Kyoto to PHGM.¹⁷

33 The record of proceeding does not evidence any formal election. More importantly, it is evident from the plaintiffs’ counsel’s subsequent exchange with me at the trial that the plaintiffs were reserving their right to elect after I had ruled on whether Mr Law had breached his fiduciary duties in diverting the opportunity to manage Park Hotel Kyoto to PHGM.¹⁸ The defendants did not object to this position.

34 Second, the defendants contend that the requested breakdown of information for each of the hotels in the ASTA is irrelevant to the issue of election,¹⁹ given that the HMAs were sold as a bundle under the ASTA, not individually.

35 I disagree. While the HMAs were sold as a bundle, the financial information sought by the plaintiffs is still relevant to enable them to elect between seeking relief via an account of profits or damages with respect to each HMA as well as in the aggregate.

¹⁷ DWS at para 27.

¹⁸ Notes of Evidence on 27 February 2025 at pp 173:4–174:10.

¹⁹ DWS at para 28.

36 The defendants also raise various other arguments, which I reject:

(a) The defendants claim that the plaintiffs’ request is “too broad”,²⁰ without explaining why. It is also not the defendants’ case that the plaintiffs’ request is unclear or oppressive.

(b) In so far as the defendants claim that some information has already been given in these proceedings and may be found in the agreed bundle,²¹ they can refer the plaintiffs to those documents when giving discovery.

(c) The defendants claim that PHGM does not “attribute its costs by each individual hotel”,²² suggesting that it does not have in its possession, custody or power any document evidencing the breakdown of costs and expenses for *each* hotel it manages as requested by the plaintiffs. It is difficult to believe that such documents do not exist. Nonetheless, if that is indeed the case, the defendants can simply say this on oath.

(d) Contrary to the defendants’ submission,²³ “forecasted” and “budgeted” information may reasonably assist the plaintiffs make their election.

37 I therefore allow the plaintiffs’ application for discovery as set out in Schedule 3 of their Further Submissions. The defendants have stated that they

²⁰ DWS at Annex B, S/N 1.2.

²¹ DWS at Annex B, S/N 1.2.

²² DWS at Annex B, S/N 2.2

²³ DWS at Annex B, S/N 3.3.

will give discovery of any documents ordered within 14 days, and I therefore so order. The parties shall have liberty to apply.

Issue 3: Damages for costs incurred in unravelling the conspiracy

38 The plaintiffs seek damages of S\$195,125 for the liquidators' costs incurred for investigating, detecting, and unravelling the defendants' conspiracy.²⁴ Costs for three main categories of work carried out were identified: (a) investigation/review of documents; (b) preparation to summon Mr Ng, PHMPL's previous finance manager, as a factual witness; and (c) other preparations for the proceedings.²⁵

39 Where unlawful means conspiracy is established, a plaintiff will be entitled to seek damages for costs incurred for investigating, detecting and unravelling a conspiracy if there is a causal link between such costs and the conspiracy: *Li Siu Lun v Looi Kok Poh* [2015] 4 SLR 667 at [57]–[59].

40 The defendants argue that the work done as claimed by the plaintiffs would have been carried out as part of the administration of PHMPL's liquidation and would have been incurred in any event.²⁶ I agree. While I accept that the liquidators' work may have been hampered, or made more difficult, by Mr Law's manipulation of the accounts and withholding of the documents, I see no basis to award the damages sought. The breakdown in the plaintiffs' Further Submissions describes work carried out in the ordinary course of the liquidation and this litigation and are not confined to the conspiracy claim. Further, the evidence of Mr Ng was important to understand the context and purpose of the

²⁴ PWS at para 32.

²⁵ PWS at Schedule 4.

²⁶ DWS at paras 31.

“restructuring” and therefore relevant to the other pleaded claims as well. Accordingly, the same work would have been relevant even absent the conspiracy claim.

41 The plaintiffs argue that the issue of whether the items claimed relate to investigations costs can be resolved at the assessment of damages stage. But the plaintiff must first satisfy, on a balance of probabilities, that costs were specifically incurred in investigating, detecting, and unravelling the defendants’ conspiracy. This was not the liquidators’ evidence and, for the reasons above, they have failed to meet that burden.

Issue 4: Costs

Indemnity costs

42 The plaintiffs submit that the defendants should be ordered to jointly and severally pay costs on an indemnity basis. Indemnity costs are only awarded in exceptional circumstances: *Singapore Civil Procedure 2021* vol I (Cavinder Bull SC gen ed) (Sweet & Maxwell, 2021) at para 21/22/6, citing *Bowen-Jones v Bowen-Jones* [1986] 3 All E.R. 163. In *Airtrust (Hong Kong) Ltd v PH Hydraulics & Engineering Pte Ltd* [2016] 5 SLR 103 (“*Airtrust*”), the court set out the following descriptive and non-exhaustive categories of conduct that would attract an order of indemnity costs (at [49]):

- (a) where the action is brought in bad faith, as means of oppression or for other improper purposes;
- (b) where the action is speculative, hypothetical or clearly without basis;
- (c) where a party’s conduct during the proceedings is dishonest, abusive or improper; and

- (d) where the action amounts to wasteful or duplicative litigation or is otherwise an abuse of process.

43 The baseline inquiry is whether the party’s conduct was so unreasonable as to justify an order of indemnity costs; such conduct must reflect a high degree of unreasonableness and cannot merely be wrong or misguided in hindsight. Although the unreasonableness need not rise to the level of dishonesty or moral iniquity, the extent of a party’s dishonest and unscrupulous intentions and actions will be relevant factors: *Airtrust* at [50].

44 In respect of category (c) at [42] above (*ie*, where a party’s conduct during the proceedings is dishonest, abusive or improper), this is not limited to the conduct of counsel. While counsel are the officers of, and owe a higher duty to assist, the court, it is not the case that the parties owe no duties and may act in any way they wish to advance their objectives. To the contrary, parties are “under a duty to assist the court in facilitating the just, quick, and cheap resolution of the real issues in the proceedings”: *Michael Wilson & Partners Ltd v Emmott (No 5)* [2025] NSWCA 206 at [149]. This has now been enshrined in O 3 r 1(4) of the Rules of Court 2021, which states that “[a]ll parties have the duties to assist the Court and to conduct their cases in a manner which will help to achieve the Ideals”. The Ideals include “(a) fair access to justice; (b) expeditious proceedings; (c) cost-effective work ... ; (d) efficient use of court resources; (e) fair and practical results suited to the needs of the parties”: O 3 r 1(2) of the Rules of Court 2021. *Singapore Civil Procedure 2025* vol I (Cavinder Bull SC gen ed) (Sweet & Maxwell, 2025) elaborates on O 3 r 1(4) as follows (at para 3/1/14):

It is incumbent on all parties to the proceedings to assist the Court and to conduct their respective cases in a way in which the Ideals can be achieved. Parties must comply with all their legal and procedural obligations, respond in good faith to all the Court’s requests for

information and any questions that the Court may have for clarification of the issues, and cooperate with the Court and the other parties in accordance with the Rules of Court. The parties must comply with the Ideals even if by doing so they may compromise their own cases. However, O.3, r.1(4) does not require the parties to positively assist each other in the presentation of their cases in the absence of any evidential, procedural or ethical requirement that they do so ...

45 However, and importantly, the dishonest, abusive or improper conduct of a party which may attract an order for indemnity costs must be distinguished from that which forms the basis of the proceedings. The court is concerned principally with the losing party's conduct of the case rather than the substantive merits of his position: Peter T. Hurst, *Civil Costs* (Sweet & Maxwell, 5th ed, 2013) at para 5-010. That must be the case, otherwise an order for indemnity costs will usually follow success in causes of action grounded in fraud or dishonesty, which is not the case. That said, a party's conduct prior to the proceeding is not entirely irrelevant and remains a matter to be considered by the court in exercising its discretion as to costs: *Parakou Shipping Pte Ltd v Liu Cheng Chan* [2017] SGHC 91 ("*Parakou*") at [16]. In my view, this ought to be limited to circumstances where the parties' conduct before the proceeding is especially egregious. For example, in *Parakou*, the court accepted that there were grounds to make an order for indemnity costs given (a) the defendants' conduct in stripping the plaintiff of its assets and shifting them out of the company to avoid a substantial claim by its contingent creditor; (b) the fourth defendants' flagrant disregard for their fiduciary duties to the plaintiff; and (c) the fact that the defence of a corporate restructuring was found to be a fabrication.

46 I find that it would be appropriate to order the defendants to pay costs on an indemnity basis on account of their, and particularly, Mr Law's conduct that led to and during these proceedings.

47 I begin with the former, which involved the plan to (a) transfer all of PHMPL’s businesses and assets at a gross undervalue effectively to Mr Law; (b) siphon PHMPL’s cash and receivables for the benefit of Mr Law and his companies’ (including the Defendant Companies’); (c) manipulate accounts and backdate documents to cover up Mr Law’s breaches of fiduciary duties and misappropriation of assets; and (d) take steps to delay enforcement action by creditors, including pretending to negotiate with PHCQ’s landlord in bad faith. These acts are not unlike those of the defendants in *Parakou* (see [45] above).

48 Mr Law’s actions, including his manipulation of PHMPL’s books and accounts (6 August Decision at [56]–[70]), also impeded the liquidators from discharging their duty to safeguard, collect and redistribute the company’s assets and “inquire into the underlying reasons for the company’s demise as well as the peculiar responsibility and particular role of management in the antecedent events”: see *Liquidator of W&P Piling Pte Ltd v Chew Yin What* [2004] SGHC 108 (“*W&P Piling*”) at [25]. Mr Law was also obstructive and unresponsive to the liquidators’ requests for information. An example was his response to the liquidators’ requests for the discovery of documents relating to the ASTA Computation, where he simply stated that “this category is far too wide to be reasonable – in particular [he] does not see why correspondence between [himself] and any other person (excluding experts would be relevant)”.²⁷ As it turned out, when PHGM was eventually ordered to give discovery of Microsoft Outlook accounts (an application which Mr Law and PHGM resisted), the exchanges between Mr Law and Ms Tang evidenced their wrongdoing, including their concern and belief that enforcement action by PHMPL’s creditors was imminent and exposed how PHMPL’s books were

²⁷ AEH at Tab 37, pp 1038–1039.

manipulated to create a false timeline in relation to the transfer of PHMPL's moneys and assets: 6 August Decision at [26].

49 In this regard, Mr Law was no ordinary litigant – he was a former director and fiduciary of PHMPL and was duty-bound to assist the liquidators in the discharge of their work and to shed light on the history of its corporate conduct: *W&P Piling* at [29(c)]; see also *Ho Pak Kim Realty Co Pte Ltd v Ho Soo Fong* [2020] SGHC 193 at [80].

50 Further, Mr Law conducted his defence in a manner which I have found to be dishonest and dishonourable: 6 August Decision at [372]. The incident involving the valuation of Yan Pte Ltd illustrates the dishonesty that permeated his defence. During trial, it was revealed that Ms Tang, PHMPL's Financial Controller, had prepared a forecast *after* this action had commenced to provide the false impression that Mr Law and Ms Tang had done a financial analysis of Yan Pte Ltd prior to its sale: 6 August Decision at [104]. I find that this was done clearly on Mr Law's instructions or with his knowledge.

51 I highlight other conduct:

(a) Mr Law and PHGM resisted an application for PHGM to give discovery of Microsoft Outlook accounts which were transferred from PHMPL, despite their obvious relevance and materiality. These accounts contained exchanges between Mr Law and Ms Tang, which shed light on the plan to defraud PHMPL and its creditors: 6 August Decision at [26].

(b) Despite TSMP having accepted prior to the trial that PHMPL was insolvent by end March 2021, Mr Law departed from this position at trial and maintained that PHMPL was not insolvent and still had a

viable business after the completion of the Agreements: 6 August Decision at [122].

(c) At multiple junctures, Mr Law gave contrived and dishonest evidence: 6 August Decision at [89], [93] and [97]–[98].

52 Mr Law’s conduct, including the conduct of his defence, went well beyond what is acceptable within the bounds of adversarial litigation. It was dishonest, abusive and improper. Given Mr Law’s ownership and control over the Defendant Companies (6 August Decision at [6] and [42]), my finding that they had engaged in a conspiracy with him and that Mr Law was their principal witness and plainly in control of the defendants’ litigation strategy, I find that it would be appropriate to order the defendants to jointly and severally pay costs on an indemnity basis.

53 I turn to the defendants’ arguments, which I reject.

54 First, the defendants rely on the fact that they had made Calderbank offers by way of three letters:²⁸

(a) By a letter dated 19 April 2024, the defendants offered to pay S\$13,864,781.41 to settle the claims in respect of the Cash Payments, Receivables and the value of the businesses and assets that were transferred to GMHL and SIOHPL.²⁹

²⁸ DWS at para 39.

²⁹ Defendants’ Bundle of Documents (“DBOD”) Tab 1.

(b) By a letter dated 6 May 2024, the defendants offered to pay S\$13,864,781.41 to settle the claims in respect of the Cash Payments and the Receivables.³⁰

(c) By a letter dated 7 August 2024, the defendants offered to pay S\$15m to settle the matter in its entirety.³¹

55 In *Ong & Ong Pte Ltd v Fairview Developments Pte Ltd* [2014] 2 SLR 1285, the court explained (at [37]) that Calderbank offers are a relevant factor in assessing costs. The court’s consideration will bear on the reasonableness or otherwise of an offeree’s refusal to accept the Calderbank offer, and this will turn upon the terms of the Calderbank offer and the specific circumstances surrounding it.

56 The plaintiffs did not act unreasonably in rejecting the Calderbank offers. As I have found in the 6 August Decision (at Annexes 2 and 3), the aggregate value of the Cash Payments and Receivables alone amount to more than S\$15m, *ie*, more than the amounts offered in all the Calderbank offers.

57 Second, the defendants rely on *Tan Chin Yew Joseph v Saxo Capital Markets Pte Ltd* [2013] SGHC 274 and *Airtrust*, where the court declined to award indemnity costs on account of the counsel’s economical conduct of the trial.³² I have no hesitation in commending both sets of counsel – they conducted themselves entirely professionally and made efficient and effective use of time. I found their assistance invaluable and in the best traditions of the bar.

³⁰ DBOD Tab 2.

³¹ DBOD Tab 3.

³² DWS at para 47.

Nonetheless, the gravamen of the complaint was the defendants' (particularly, Mr Law's) conduct, which warranted an indemnity order for the reasons above.

58 Third, the defendants argue that the plaintiffs did not succeed on every argument.³³ While it is true that I did not accept the plaintiffs' legal arguments and their experts' opinions on some issues, that itself is no reason to deprive the plaintiffs of all or part of their costs. It is not the case that a claimant must succeed in every claim or argument to obtain a full costs award. In exercising its discretion on costs, the court engages in a multi-factorial assessment and each case will ultimately turn on its own fact and circumstances: O 21 r 2(2) of the Rules of Court 2021. Here, the plaintiffs had substantially succeeded in all the claims they had pursued, and I had largely agreed with their evidence and arguments. None of the plaintiffs' claims were frivolous, nor did they run their case improperly or extravagantly. It bears reiterating that the basis of the indemnity costs award is the defendants' conduct, which the plaintiffs did not enable.

59 Finally, the defendants argue that the amounts claimed by the plaintiffs, whether on a standard or indemnity basis, are excessive.³⁴ The plaintiffs are claiming a total of S\$1,606,666.67 (indemnity basis) or S\$1,205,000 (standard basis), as against the defendants' position of S\$245,000 (standard basis). Given (a) the disparity in the parties' respective positions, (b) my decision to allow indemnity costs and (c) the amounts, including the disbursements and experts' fees, claimed, I consider it prudent and fair to order that the costs and disbursements be taxed (unless otherwise agreed), so that the plaintiffs' claims

³³ DWS at para 45.

³⁴ DWS at para 37.

may be scrutinised and parties will have the opportunity to properly ventilate their respective positions on the appropriate quantum.

Costs for more than two solicitors

60 The plaintiffs also applied for a certificate for costs for more than two solicitors pursuant to O 59 r 19(1) of the Rules of Court 2014. Such a certificate is awarded only in “exceptional circumstances”, *eg*, in “cases which involve a high degree of complexity of facts and/or law, or where there are many issues of both fact and law and trial is lengthy”: *Parakou* at [14], citing *Singapore Civil Procedure 2017* vol 1 (Foo Chee Hock JC gen ed) (Sweet & Maxwell, 2017) at para 59/19/2. In this regard, para 1(2) of Appendix 1 to O 59 of the Rules of Court 2014 sets out the following factors:

- (a) complexity of the item or of the cause or matter in which it arises and the difficulty or novelty of the questions involved;
- (b) the skill, specialised knowledge and responsibility required of, and the time and labour expended by, the solicitor;
- (c) the number and importance of the documents (however brief) prepared or perused;
- (d) the place and circumstances in which the business involved is transacted;
- (e) the urgency and importance of the cause or matter to the client; and
- (f) where money or property is involved, its amount or value.

61 Having awarded indemnity costs, I decline the application for a certificate for costs for more than two solicitors. Further, having regard to the

factors above at [60] and all the circumstances of the case, I do not find the evidence and issues so exceptional as to warrant granting the application. As an illustration, in *Parakou*, the court found that the trial period of 14.5 days, including a half-day for interlocutory matters and another half-day for oral submissions, not to be particularly lengthy; in that case, the complexity arose from the fact that there were a multitude of claims in respect of several impugned transactions against six defendants, but these was ameliorated by the fair amount of overlap (both on the law and the facts) in the claims: see *Parakou* at [15]. The present circumstances are not dissimilar: (a) the trial also lasted a total of 14.5 days; and (b) the claims against the defendants (which were similar in nature) revolved around the evidence of Mr Law and Ms Tang. The only distinction with *Parakou* is that the documents involved here were more voluminous, but that is often an inescapable fact in disputes involving corporate insolvency: see *GTMS Construction Pte Ltd v Ser Kim Koi* [2021] SGHC 33, where the court held (at [35]) that it is often the case in construction-related disputes that there would be voluminous documents and this did not sufficiently elevate the complexity of the dispute.

Conclusion

62 In summary:

- (a) I order that:
 - (i) Mr Law pays the sums of S\$10,134,329.54 and S\$18,893,820.22 (see [6]–[8] above);
 - (ii) Mr Law and PHGM pay, on a joint and several basis, the sums of S\$1,875,552 and S\$2,073.70 and any GST or additional GST that may be imposed (see [9]–[10] above);

- (iii) Mr Law and SIOHPL pay, on a joint and several basis, the sum of S\$2,411,206 and any GST or additional GST that may be imposed (see [11] above); and
- (iv) an account be taken in respect of the profits of Yan Pte Ltd from 1 March 2021, and Mr Law and GMHL are jointly and severally liable to pay the plaintiffs any amount certified on taking the account (see [12] above);
- (b) in respect of the sums that the defendants have been ordered to pay, interest shall apply at the default rate of 5.33% per annum from the date the relevant causes of action arose;
- (c) the defendants shall within 14 days give discovery of the documents listed in Schedule 3 of the plaintiffs' Further Submissions;
- (d) the plaintiffs' application for damages for costs incurred by the liquidators for their work done in respect of the conspiracy claim is dismissed;
- (e) the defendants shall jointly and severally pay costs on an indemnity basis to be taxed, unless otherwise agreed; and
- (f) the plaintiffs' application for a certificate for costs for more than two solicitors is dismissed.

63 Given that the plaintiffs have yet to elect their remedies on some of their claims, not all issues in this action have been determined. Nonetheless, pursuant to O 1 r 2(3)(b) read with O 19 r 4 of the Rules of Court 2021, I order that the time for appeal against the 6 August Decision and this Judgment shall start running from the issuance of this Judgment. In my view, that is the practical and

sensible way forward as the substantive disputes have been decided and the outcome of the outstanding issues will not likely affect the findings and decisions I have made.

64 I thank both sets of counsel for their diligence and able assistance.

Hri Kumar Nair
Justice of the Court of Appeal

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