IN THE FAMILY JUSTICE COURTS OF THE REPUBLIC OF SINGAPORE

[2022] SGHCF 7

Divorce (Transferred) No 205 of 2020

Between

WAS

… *Plaintiff*

And

WAT

… *Defendant*

GROUNDS OF DECISION

[Family Law — Matrimonial assets — Division]
[Family Law — Matrimonial assets — Liabilities]
[Family Law — Matrimonial assets — Valuer — Judicial review of valuation]

WAS
v
WAT

[2022] SGHCF 7

General Division of the High Court (Family Division) — Divorce (Transferred) No 205 of 2020
Debbie Ong J
13, 14 October 2021, 10 January 2022

2 March 2022

Debbie Ong J:

Background facts

1 The plaintiff (the "Husband") and the defendant (the "Wife") were married on 31 July 2008. The Husband filed the Writ of Divorce on 15 January 2020. The Interim Judgment of Divorce ("IJ") was granted on 23 March 2020. The ancillary matters (the "AM") were heard on 13 and 14 October 2021.

2 The parties' marriage lasted about 11 years. The Wife was 36 years old and the Husband was 38 years old at the time of the hearing. The parties have no children.

3 I highlighted to both parties' counsel that the joint summary of relevant information ("Joint Summary") that they had jointly submitted is a key document which I would use as a summary of their latest submissions on their

respective positions. I made it clear that the positions stated therein would represent their *final* positions and would be used in reaching my decision. In view of some changes to the parties' positions reflected in the respective written submissions, the Joint Summary dated 24 September 2021 was updated at the AM hearing.

Division of assets

4 As a general position, all matrimonial assets and liabilities should be identified at the time of the IJ and valued at the time of the AM hearing. It is noted that the balances in bank and Central Provident Fund ("CPF") accounts are to be taken at the time of the IJ, as the matrimonial assets are the moneys and not the bank and CPF accounts themselves. Thus, in general, available values as close to the AM hearing date as possible will be used. Nevertheless, where parties had specifically agreed to use a value for the asset or liability as at a different date, I adopted that value instead for this decision. The parties agreed that, in general, the date for ascertaining the pool of assets is the IJ date and the date for valuing those assets is the date of the AM hearing (or closest to this date).

5 In this judgment, "$" refers to the Singapore dollar. I used only whole dollar values in assigning values; the values in cents were dropped as they were *de minimis* in light of the large total value of the assets.

The pool of matrimonial assets and liabilities

Undisputed matrimonial assets and liabilities

6 The parties agreed on the following matrimonial assets and liabilities, as well as their values, as tabulated:

S/N	Manner of Holding	Asset	Net Value / $
1.	Wife's Name	POSB Savings Account ending 8341	14,937
2.		POSB eEveryday Savings Account ending 7839	34,006
3.		POSB Current Account ending 7449	0
4.		UOB Cashplus Account ending 3162	0.17
5.		Citibank Credit Line ending 6852	0.02
6.		Wife's CPF	65,249
7.	Husband's Name	Husband's CPF	65,518
8.		POSB Passbook Savings Account ending 1933	4,028
9.		BMW car	21,942
Total Net Value of Undisputed Matrimonial Assets			205,680

7 There were some assets and liabilities listed in the Joint Summary where parties had indicated "N/A". These were: the Husband's debt of $12,323 to Company [Z], the Husband's loan of $29,137 from his mother for his living expenses and legal fees, the Husband's UOB DCP loan of $52,166, the Husband's loan of $50,000 from his father on 26 November 2011, the Husband's loan of $43,500 from his aunt taken in January 2013, the Husband's second loan from his aunt for $20,000 taken in August 2020, and the Husband's loan from one [W] for $4,500. As for the Wife, these were: her ManuProtect Term (Level and Convertible) and her ManuProtect Term (Renewable and Convertible) Policy ending 5518 purchased in June 2020, and the Wife's

Prudential Prushield PM1 Policy ending 6605. At the hearing, counsel explained this meant the parties agreed not to add these items into the value of the pool of matrimonial assets. I thus did not consider these assets and liabilities in my decision.

Disputed matrimonial assets and liabilities

8 The parties disputed both the status and valuation of a number of assets. I deal with each in turn.

(A) PROPERTY [X]

9 The parties bought Property [X] for $768,000 in November 2011 and moved in around 2015. They sold it for $1,018,000 on 26 May 2021, with completion on 1 September 2021. The outstanding amount (with interest) that was refunded to their CPF accounts as at 1 September 2021 was $106,138 for the Husband and $103,416 for the Wife.

10 The parties agreed that the sale price was $1,018,000 and the outstanding mortgage was $511,389. They also agreed to deduct $16,338 for the property agent commission and to add back $39 for the property tax. However, the Husband also deducted the sums of $5,000, which was the deposit paid by the purchasers, and $173,347, which he said was a loan from his father. The Wife said that the $173,347 was a gift from the Husband's father to both parties. The Husband's father filed an affidavit stating he lent the parties $252,147 to make the down-payment, and seeking the return of this sum if the parties sold Property [X]. However, the parties said at the hearing that there was no dispute the sum received from the Husband's father was $173,347.

11 In my view, the sum of $173,347 was not a loan from the Husband's father, notwithstanding that the Husband had listed his father as a creditor in his Affidavit of Assets and Means ("AOM") (*BON and others v BOQ* [2018] 2 SLR 1370 ("*BON v BOQ*") at [8]). The Husband's father's affidavit stated that, "*if the parties sell [Property [X]]*, I want the return of my monies … as I am a retiree and I need it" [emphasis added]. Had this been a genuine loan, the parties would have had to pay it back regardless of whether they sold Property [X]. I found that the $173,347 received from the Husband's father was a gift, rather than a loan.

12 As for the $5,000 deposit, since this was part of the sale price, it should be included in the net value of Property [X]. I did not deduct it from the value of Property [X].

13 Thus, after subtracting the outstanding mortgage of $511,389, the $16,338 for the property agent commission, and adding $39 for the property tax, I found that the net value of Property [X] was $490,312.

(B) 80% OF BUSINESS [A]

14 The parties founded four companies together – [B], [C], [D] and [E] (collectively, "[A]"). The parties owned a total of 80% of the shares in each company – the Wife owned 56% of the shares and the Husband owned 24% of the shares in [E], while the Wife owned 60% and the Husband owned 20% of the shares in the other three companies.

(I) THE PARTIES' SUBMISSIONS

15 The Wife submitted that the total value of the parties' shares in [A] was $955,000 as at 30 June 2020. This was based on a valuation report by [GH]

dated 19 August 2020 (the "First GH Report"), which was prepared by one [PT]. [GH] was appointed as the valuer of [A] with both parties' consent, pursuant to a court order on 18 June 2020.

16 The Husband's position was that the total value of the parties' shares in [A] was $4,495,377. He sought to set aside the First GH Report, and requested "for a judicial review" on the valuation of [A], referring to *NK v NL* [2010] 4 SLR 792 ("*NK v NL*") and *Viking Engineering Pte Ltd v Feen, Bjornar and others and another matter* [2020] SGHC 78 ("*Viking Engineering*"). I summarise his objections to the First GH Report as follows.

(a) **Bias:** [GH] only took the Wife's inputs into consideration and refused to consider any of the Husband's input unless he agreed to pay additional fees, contrary to the terms of its engagement.

(b) **Disregarded data from 2017 to 2019:** [GH] disregarded the data regarding [A] from 2017 to 2019, when [A] experienced "phenomenal growth", and also disregarded the sales revenue which grew every year from 2017 onwards. The Husband referred to the third shareholder, [Q], paying $200,000 for her 20% stake in [A] in 2016, showing an implicit understanding that [A] was already worth $1,000,000 when it only had one outlet in 2016, and submitted that the business must be worth several times of $1,000,000 when it had at least four outlets today.

(c) **Wrongly used "retained earnings approach":** [GH] used a "retained earnings approach" when it should have used the "income approach", as the latter would be reflective of [A]'s future profitability, once adjusted appropriately. This was a manifest error on [GH]'s part and an attempt to downplay the value of the business.

(d) **Manpower costs:** [GH] only used the manpower costs for four months from January to April 2020 and did not use the historical data from 2017 to 2019. The sudden huge jump in manpower costs, which was reported by the Wife, was highly suspect and was provided at a time when the Husband had been prevented by the Wife from reviewing the companies' financial documents.

(e) **Subsidies and rebates:** [GH] failed to take into account the government subsidies and rebates for the circuit-breaker period from April to June 2020.

(f) **Valuation date:** [GH] used the valuation date of 30 June 2020 or 13 August 2020 with no explanation. The Husband had requested for the date of IJ, *ie*. 23 March 2020, to be used, but [GH] failed to take his instructions.

(g) **Business growth plans, deferred earnings, and cashflow forecasts:** [GH] did not take into account the business growth plans and profit potential of [A], the deferred earnings of [A], based on customers' "package plans", or any cashflow forecasts for [A].

(h) **Erroneous comparison to [M] industry:** [GH] erroneously compared [A] to [M] industry and ignored the Husband's comments that [A]'s products and services were unique to the local market.

The Husband also submitted that [GH]'s valuation of just over $1,000,000 for [A] made no economic sense as the [A] companies had a total of $966,006 in their corporate bank accounts as of 30 March 2020, which excluded the significant dividend pay-outs of $150,000 in 2018 and 2019. Further, as of 22 April 2021, [A] had an increased total available cash balance of around

$1,400,000 in its corporate accounts, showing it continued to do well in spite of [GH]'s "bleak evaluation". Lastly, the Husband referred to a WhatsApp message sent to him by the Wife referring to the parties' shares in [A] being "worth 10 folds", and a signed letter of intent dated 21 December 2019 which the Husband had obtained from investors, where a sum of $140,000 was offered for a 1.4% stake in [E].

17 The Husband instructed another valuer, [RK], to value [A]. The first report issued by [RK], dated 7 October 2020 (the "October 2020 RK Report") stated that the First GH Report was "unsafe for reliance as a sound valuation of the shares" of the parties. The October 2020 RK Report criticised the First GH Report on the basis that:

(a) [GH] used the valuation date of 30 June 2020 with no explanation, and without seeking any clarification from the Husband;

(b) [GH] had made adjustments which "appear to be arbitrary" without sufficient explanation, and used the figures from the financial accounts for 31 December 2019 instead of the financial data from 1 January to 30 June 2020;

(c) [GH] did not use the cashflow forecasts for 2020, failed to add back directors' salaries and remuneration, and wrongly valued [B], [C] and [D] on a combined basis;

(d) [GH] failed to apply a discount for the Husband's minority shareholding and a premium for the Wife's controlling interest in the [A] companies;

(e) [GH] failed to review the constitution of the [A] companies and to consider the rights attaching to the shares of the parties as shareholders of the companies;

(f) [GH] assessed potential offers that were received for non-controlling interests in the companies, when this was not part of its mandate;

(g) [GH] did not show how the valuation standards adopted in its report were consistent with the International Valuation Standards;

(h) [GH] lacked independence and impartiality as it would not consider the Husband's input concerning the draft report without further payment; and

(i) [PT] was not adequately qualified.

18 [RK] subsequently prepared four valuation reports dated 15 March 2021, one for each [A] company – [E], [B], [C], and [D] (the "RK Valuation Reports") – which valued the companies at a total of $5,619,222 as of 15 January 2020, *ie* the parties' 80% share was worth $4,495,377.

19 In response to the RK Valuation Reports, the Wife submitted that since parties had agreed to appointing [GH] to value [A] and had clearly envisioned any valuation made by [GH] being final and binding on the parties, the Husband could not back out simply because he was not satisfied with the valuation reached. The Wife also referred to civil proceedings commenced by the Husband in a separate case, where the Husband alleged minority oppression by the Wife in relation to [A]. The judge in that case noted that [A]'s shares had already been valued by an independent valuer ([GH]) appointed by the Family

Justice Courts with the mutual agreement of the parties, and the civil suit appeared to be the Husband's attempt to seek another valuation of the shares, which should not be allowed.

20 Second, the Wife submitted that the RK Valuation Reports could not be safely relied on as she was not included in any communications with [RK], and the RK Valuation Reports were prepared based on limited and one-sided information. I summarise her objections as follows:

(a) The RK Valuation Reports were prepared based on the draft management accounts for 2019, which were not the final figures and did not account for contract liabilities. [RK] did not take any independent steps to verify the instructions provided by the Husband. [RK] also did not rely on any other financial documents relating to [A] apart from the Annual Reports for 2017 and 2018 and the draft management accounts as at 31 December 2019, whereas [GH] had referred to an extensive list of documents (48 items) in deriving its valuation.

(b) The Wife was completely excluded from the valuation process and neither the Husband nor [RK] sought the Wife's input on the [RK] valuation, whereas the Husband had been given the chance to canvass his views and did so at various junctures during [GH]'s valuation process.

(c) [RK] was misinformed about certain aspects of the background of the proceedings.

(d) The RK Valuation Reports contemplated the valuation of the Husband's shares if he were to sell his shares to [Q], but there was no

reason why [RK] would, of its own volition, cater for this scenario. [RK] must have included this specifically at the Husband's instruction.

(e) The valuation date adopted by the RK Valuation Reports was 15 January 2020 (the date the Writ was filed). In contrast, the First GH Report was based on the valuation as at 30 June 2020, which was the latest possible date based on the information available, and closer to the AM hearing date. Notwithstanding the purported valuation date of 15 January 2020, the RK Valuation Reports wholly relied on the financials for [A] as at 31 December 2019, and took note of two articles dated December 2020 and a Deloitte Mid-Year Report as at July 2020. It was evident that [RK] had set its mind on adopting a date other than 30 June 2020, despite acknowledging the general rule that matrimonial assets should be valued as at the AM hearing date or as close as possible, and despite the Husband's own position that the date of valuation should at least be that of the IJ date of 23 March 2020. As the valuation date in the RK Valuation Reports was prior to the start of the COVID-19 pandemic in Singapore, it fails to provide an accurate reflection of the value of [A], which remains affected by the pandemic.

21 Finally, the Wife instructed [GH] to produce a second report dated 6 July 2021 (the "Second GH Report") in response to the RK Valuation Reports. This was done pursuant to a court order on 28 May 2021. The Second GH Report explained why the RK Valuation Reports were "completely flawed". I summarise the main points of the Second GH Report as follows:

(a) [RK] was wrong to value each of the [A] companies separately as this failed to give appropriate recognition to the valuation impact of transactions between each of the [A] companies.

(b) [RK] was wrong to rely on the management accounts from 2019 for their valuation. These management accounts were reports extracted from the accounting system, and they did not fully incorporate or reflect the impact of [RK]'s accounting policies or accounting adjustments made at the end of the year, nor did they recognise income tax payable by each of the [A] companies in relation to profits recorded in 2019.

(c) In determining the multiple to be applied to [A], [RK] used a PER inferred from a single listing transaction from another company as their base comparison, but that company ran a business which was completely different from [A] in terms of industry, scale and risk profile.

(d) [RK]'s use of the multiple of 6.6675 to its assessed maintainable EBITDA of each of the [A] companies was mathematically incorrect as the multiple should only be applied to an assessed level of maintainable profit after tax of each company. This led to a material overvaluation of [A].

(e) [RK] wrongly adjusted the EBITDA to add directors' remuneration of approximately $202,000. These were costs that would necessarily be incurred by [A] in the ordinary course of business and would have already been factored into the financial reports without need for further adjustments.

(f) [RK] wrongly added a total of about $19,000 as motor vehicle expenses without any explanation for these adjustments.

22 I now turn to the law in respect of court-appointed valuers.

(II) THE LAW

23 In *NK v NL*, the Court of Appeal said (at [6]) that a court can intervene if a court-appointed valuer does not act in accordance with his terms of reference, or if his valuation is patently or manifestly in error. However, the court will be slow to find that the valuation was in error, since by appointing an expert in the first place it has taken the position that the matter is best left to the expert. In *Viking Engineering*, the High Court said (at [14]) that an expert determination may only be set aside if the expert materially departed from instructions, there was a manifest error in the expert's determination that justly requires judicial intervention, or there was fraud, corruption, collusion, dishonesty, bad faith, bias, or the like.

(III) APPLYING THE LAW TO THE FACTS

(a) Whether [GH] deviated from its terms of reference

24 I first considered whether [GH] deviated from its terms of reference in preparing the First GH Report (see *NK v NL* at [6]; *Viking Engineering* at [14(a)]). In the present case, the Assistant Registrar did not stipulate any particular methodology to be used by [GH]. I found that, by necessary implication, the court left the valuation to the discretion of independent experts, to be exercised on the basis of market practice and commonly accepted valuation methodologies, having regard to the circumstances relevant to private companies like [A] (*NK v NL* at [12]). It could not be said that [GH]'s method of valuation was a departure from the court order unless it could be shown that it was a method which was *wholly inappropriate* for valuing shares of a private company. For completeness, I noted that the letter of engagement, which was signed by both parties, did not make any reference to a particular valuation methodology.

25 Having reviewed the October 2020 RK Report and the four RK Valuation Reports, I was not persuaded that [GH]'s method of valuation was wholly inappropriate. I set out my key observations as follows.

26 First, I noted that the only information relied upon in the October 2020 RK Report was the First GH Report, [GH]'s engagement letter dated 24 June 2020, and the ACRA profile searches of the four [A] businesses. It appeared that, in the October 2020 RK Report, [RK] did not review the documents that were utilised in support of [PT]'s opinion in the First [GH] Report. I was therefore not persuaded that [RK]'s criticisms of the First GH Report, as set out in the October 2020 RK Report, were justified.

27 Second, in respect of the valuation date of 30 June 2020 used by [GH], I make the following observations:

(a) The October 2020 RK Report stated that the general rule is that the valuation date of matrimonial assets is the AM hearing date. [RK] then noted that the AM hearing had yet to take place, and [RK] was unsure why [GH] set the valuation date as 30 June 2020. However, the principle is not that [A] must be valued *exactly as at the AM hearing date* – indeed, that would be impossible since the valuation was done before the AM hearing. The principle is that the matrimonial assets are to be valued as at the AM hearing date or *at a date as close as possible* to the AM hearing date. I did not think that [GH] erred in using the date of 30 June 2020.

(b) In the Joint Summary, the Husband agreed to value the matrimonial assets as at the AM hearing date. Despite this, all four RK Valuation Reports valued the [A] companies as at 15 January 2020 (the date the Writ was filed), which was *further away* from the AM hearing

date than the 30 June 2020 valuation date. I further note that the Husband's complaint in respect of the First GH Report was that he had requested for the date of IJ, *ie* 23 March 2020, to be used – despite this objection, he later appeared content to adopt [RK]'s valuation as at the earlier date of 15 January 2020.

(c) In the RK Valuation Reports, [RK] explained that conducting a valuation of [A] and the parties' respective shareholdings as at 15 January 2020, using the figures as at 31 December 2019, would "present a fair and meaningful representation" of [A]'s finances before COVID-19. The implication appeared to be that valuing [A] at a later date of 30 June 2020, as [GH] did, was unfair because it took into account the impact of COVID-19 on a business that was doing well before the pandemic. However, I did not see why it was unfair to take into account the impact of COVID-19 on the business, as [GH] did in its assessment. A valuer cannot discount real-world events just because it may lead to an outcome that the Husband did not wish for. The effects of the global pandemic on the economy persist even today. There was no expert evidence before me that showed that [GH]'s methodology in this regard was inappropriate. For completeness, I also note that [RK]'s criticism in respect of the valuation date was couched in equivocal terms – it stated that the use of a single date to value [A] "*may* not be appropriate in the circumstances" [emphasis added].

(b) Whether [GH] was patently or manifestly in error

28 I now turn to consider whether [GH]'s valuation was patently or manifestly wrong. I did not think any of the allegations in the Husband's submissions as set out at [16] above were credible; even if they were, they did not show that [GH] was patently or manifestly wrong.

(a) **Disregarded data from 2017 to 2019:** This was inaccurate. [GH] had referred to the financial performance of [A] from 2016 to 2020 in the First GH Report.

(b) **Wrongly used "retained earnings approach":** There was no expert evidence before me that showed that [GH]'s methodology was wrong. [GH] stated in the First GH Report that [A] did not prepare cashflow forecasts for its business and it was thus unable to undertake an "[i]ncome approach" to valuation. The furthest that the October 2020 RK Report went in its criticism was that it was "unsure" why [GH] did not use an "income approach" to valuation since [GH] had referred to the "Budget and Forecast for 2020". However, I note that this was mere speculation on [RK]'s part as it was not clear what this "Budget and Forecast for 2020" was, and whether this document would suffice for [GH] to apply the "income approach". Further, the October 2020 RK Report did not go on to explain *why* it would have been appropriate to use the "income approach". Lastly, [RK]'s criticism of [GH]'s methodology also lacked clarity and consistency – [RK] criticised [GH] for failing to add back the directors' salaries to the value of [A], but also said in the preceding paragraph that [GH] had in fact added back the directors' salaries to [A], in accordance with what a valuer would have "ordinarily taken into account". Even if what [RK] meant to say was that [GH] had, incorrectly, failed to add back this sum to [A]'s assets, this court was unable to say, without hearing [GH], [RK] and further expert evidence on this issue, whether [GH] had erred in this approach (*NK v NL* at [16]).

(c) **Manpower costs:** I note, first, that this criticism was not raised in the October 2020 RK Report. There was no evidence before me that

showed whether [GH] should have used the historical data on manpower costs from 2017 to 2019. Further, even if the Husband was correct that there was a huge jump in manpower costs for January to April 2020 (of which I was not persuaded, given that the First GH Report showed the manpower costs from January to June 2020 were less than half of what was incurred in 2019), this alone did not show a manifest or patent error in [GH]'s valuation.

(d) **Subsidies and rebates:** [GH] took into account the rental rebates received by [A] during COVID-19.

(e) **Business growth plans, deferred earnings, and cashflow forecasts:** [GH] had noted the "deferred earnings" to which the Husband referred in its assessment of [A]'s corporate structure, where it stated that clients could buy credit packages for future usage. As for [A]'s business growth plans and profit potential, [GH] had taken this into account as it considered [A]'s future profitability, having regard to the outlook for the industry. I have addressed the point about cashflow forecasts at [28(b)] above.

(f) **Erroneous comparison to [M] industry:** I did not think [GH] erred in comparing [A] to [M] industry, since [A] specialised in a similar service. The Husband also said that [GH] ignored his PowerPoint presentation that [A]'s products and services were unique to the local market. I disagreed. [GH] had, in the First GH Report, noted the unique nature of [A]'s services, and noted that [A] had first mover advantage.

29 In respect of [RK]'s criticism that [GH] did not use the financial data from 1 January to 30 June 2020, I note that despite its objection to [GH]'s methodology, [RK] itself used the figures in the draft management accounts *as*

at 31 December 2019. Furthermore, [RK] appeared to have done this *solely* on the basis of the Husband's instructions, as the Husband did not accept the figures presented in the Annual Report 2019 since they were compiled after his removal from office. [RK] followed the Husband's instructions on this *despite* its original position that it intended to use the figures from the Annual Report for 2019 to value the parties' shareholdings. This, in my judgment, showed that the RK Valuation Reports were not reliable – [RK] relied on the draft management accounts from December 2019 not because, *in its expert opinion*, these accounts provided a more accurate representation of the company's finances, but *solely because* the Husband wanted it to. In the circumstances, it would be unsafe for this court to set aside the First GH Report and accept the values in the RK Valuation Reports. It did not appear that [RK]'s differing valuation was based on a legitimate difference of expert opinion (which in any event would not qualify as a manifest or patent error warranting judicial intervention; *NK v NL* at [20]), but rather, was *solely based* on the Husband's instructions.

(c) Whether [GH] was biased against the Husband

30 Having reviewed the evidence, I was not persuaded that [GH] was biased or refused to take the Husband's input into consideration. In this respect, the Husband's counsel referred me to the parties' correspondence with [GH]. These included a letter from the Wife's solicitors to [GH] on 29 June 2020 stating that there was no reason for the Husband to be involved in the valuation process which must remain wholly independent and objective, the Husband's email response to [GH] that same day expressing his anger and stating that it was clearly necessary for him to provide his input to [GH]'s representatives, and [GH]'s email to the Husband and the Wife's solicitors on 1 July 2020 stating

that it had "no current intention to meet with [the Husband]" but would provide him with a draft copy of its report.

31 However, based on the emails adduced by both the Husband and the Wife, I found that the Husband had the opportunity to, and did provide, his inputs to [GH] during the valuation process, and he was consistently copied in the email correspondence between [GH], [A] and the Wife from the date of [GH]'s appointment.

32 The Husband also alleged that the draft report was given to the parties on 19 August 2020 and "suddenly finalised" without his further input. It was odd that the Husband claimed to be "baffled and confused" by [GH]'s quick turnaround in providing him with the draft report on 14 August 2020, given that he (and his solicitors) had been sending multiple emails to [GH] in the days before that asking [GH] when it could deliver its valuation report. It also appeared to me, after reading the email correspondence as a whole, that [GH] had proceeded to finalise its report notwithstanding the Husband's protests because the Husband had not confined his comments to clarification of factual matters in [GH]'s report as requested, and [GH] had, by that stage, incurred costs higher than the agreed fee of $15,000. I did not think that this was evidence of any bias on [GH]'s part – apart from the belligerent and confrontational tone of the Husband's emails to [GH], [GH] was not obliged to continue entertaining the Husband's objections to its valuation, especially after it had already considered the Husband's input from his previous emails and had already exceeded the agreed fee of $15,000.

(d) Other points raised by the Husband

33 To conclude this section, I consider several other points raised by the Husband.

34 First, the Husband submitted that [GH]'s valuation of above $1,000,000 for the entire [A] business made no economic sense given that the [A] companies had $966,006 in their corporate accounts as of 30 March 2020 and $1,395,535 as of 22 April 2021 – if the business were liquidated straightaway, there would be around $1,400,000 to distribute among the three shareholders (the Wife, Husband and [Q]). This submission was misconceived. It is inaccurate to assess the value of a business by simply looking at its bank balance – this does not take into account its other assets and liabilities.

35 Second, with regards to the Husband's reliance on his text message from his Wife dated 18 January 2019 stating: "End goal is our shares … That worth 10 folds …", I did not find this to be probative of the value of the shares in [A]. Further, it was not clear whether the "shares" the Wife was referring to in the text message to the Husband referred to the [A] shares. Even if it did, this passing remark by the Wife still did not show that [GH]'s valuation was incorrect.

36 Third, in respect of the investors' offer letter dated 21 December 2019, this was considered in the First GH Report and I agreed with [GH]'s assessment that this was not probative of the value of [A]. All this letter showed was that two parties were willing to pay $140,000 for a 1.4% share in [E] as at 21 December 2019 – but willingness to pay a certain price for something is not necessarily an accurate indication of its true market value. Further, as pointed out by [GH], this could not be extrapolated to the total value of [A] – for instance, an offer price of $100 for a 1% shareholding does not imply that the same acquirer would be prepared to pay $10,000 for the company as a whole. For the same reason, [Q]'s purchase of shares in [A] in 2016 (see [16(b)] above) could not be relied upon as an accurate indicator of [A]'s present value, even putting aside the fact that this purchase was made about five years ago.

(IV) CONCLUSION

37 I found that there was no basis for the court to set aside the First GH Report. I accepted [GH]'s valuation of the parties' shareholdings in [A].

38 For [E], I accepted the preferred value in the First GH Report of $77,000 for the Husband's shareholding and $180,000 for the Wife's shareholding. For the other three companies, I accepted the total value of the Husband's shareholding as $175,000 and the Wife's shareholding as $523,000. This amounted to a total of $252,000 for the Husband and $703,000 for the Wife.

(C) LOAN FROM THE HUSBAND'S FATHER FOR COMPANY [L]

39 The Husband asserted that his father loaned the parties $234,720 for [L], the predecessor to [A]. The Husband's father also claimed that he loaned the parties this sum in 2012 for them to "start up a new business venture" and he sought the return of this $234,720 "[n]ow that the parties have parted ways". The Wife said this was not a matrimonial asset or a matrimonial liability but was a gift to the Husband solely.

40 At the hearing, the Husband's counsel explained that, although this was reflected as a liability of $234,720 in the Joint Summary, the Husband was not actually seeking a deduction of this sum from the pool of matrimonial assets as a matrimonial liability but included this to show his contribution to the [A] business. I will hence not consider it in this section but will return to this when considering the parties' direct contributions at [88] below.

(D) JOINT LOAN FROM THE HUSBAND'S GODMOTHER [Q]

41 The Husband asserted that [Q] loaned the parties $80,000. The Wife agreed to the valuation of this liability but said that this was a loan to the Husband solely and should be classified under his assets.

42 Both the Wife and the Husband referred to the signed loan agreement dated 31 August 2018 between the Husband and [Q] (the "Personal Loan Agreement"). The Husband referred to his liability of $80,000 to [Q] in his AOM, where he listed [Q] as his creditor; he explained that the loan was originally $100,000 and he repaid $20,000 on 18 January 2019 jointly with the Wife. He adduced a WhatsApp message sent to him by the Wife on 3 October 2019, where she forwarded a WhatsApp message she had sent to [Q] to say that she and the Husband would "settle the remaining $80k" of this loan. The Husband said that he and the Wife pooled their income from the [A] companies for joint use, and they had intended to use the dividend pay-outs at the end of 2019 to repay the $80,000 loan from [Q] – however, the parties did not proceed with this as they had separated by the time the dividends were paid out.

43 From the evidence, I found that this $80,000 loan should be deducted from the matrimonial assets as the Husband's sole liability. First, the Personal Loan Agreement was only between [Q] and the Husband, not the Wife. Second, it was not evident that the $80,000 referred to in the Wife's WhatsApp message was the same $80,000 that the Husband owed to [Q]. Even if it was, on the Husband's account, the parties' plans to use the dividends from Business [A] to pay off the loan together did not materialise as they had separated. In my view, the Wife may have helped the Husband pay off part of this loan during the marriage, not out of any legal obligation, but out of spousal love and duty. Once

the marriage ended, the Wife was under no obligation, whether moral or legal, to help the Husband pay off this loan.

44 I therefore found that this $80,000 was the Husband's sole liability, and deducted this sum from the pool of matrimonial assets.

45 I note here a possible argument against taking such an approach. For example, if a party has taken a loan during the marriage in order to fund the family expenses, it may seem less than fair to *reduce* his direct contributions when this loan was taken for the family's benefit. In my view, however, the purpose of such liabilities can be taken into account when assessing each party's *indirect* contributions – in such a scenario, that party's efforts in providing for the family during the marriage by incurring this liability may be recognised by increasing his indirect contributions where appropriate.

46 I set out my approach as follows:

(a) First, liabilities should be taken into account as s 112 of the Women's Charter (Cap 353, 2009 Rev Ed) ("Women's Charter") involves a division of the parties' net matrimonial assets. Hence, debts proven to exist at the time of divorce should be deducted from the pool of matrimonial assets (which will result in a reduction of the total value of the pool of assets).

(b) Where there is a joint debt, the debt should be apportioned equally to both parties in the calculation of each party's direct contributions, *ie* both parties will have a reduction in their direct contributions. For example, if the parties have taken a joint loan of $100,000, they would each have a reduction of $50,000 when calculating their respective direct contributions.

(c) If, however, the debt is one party's *sole* liability, this debt should be taken into account only in respect of that party's direct contributions.

(i) If this debt was incurred for the purpose of benefiting the family, this may be taken into account when calculating that party's *indirect* contributions (giving him or her credit in that aspect). However, if the debt arose from a loan in which funds were used towards acquiring an asset which has already been taken into account as part of that party's direct contributions, no further credit ought to be given in respect of indirect contributions.

(ii) Conversely, if the debt was incurred for that party's personal use only, there may be no effect on that party's indirect contributions. Since the party would already bear this liability solely, there is no need to additionally penalise that party by reducing his indirect contributions unless there are particular circumstances that justify it.

(iii) The burden of proof is on the party who bears the liability to explain why an increase in his indirect contributions (due to incurring this liability) is warranted.

(d) This approach above may be of assistance generally, but I reiterate that each case must be decided according to its facts, on the application of the broad-brush approach in *ANJ v ANK* [2015] 4 SLR 1043 ("*ANJ v ANK*").

47 In the present case, the Husband classified this loan from [Q] as a personal loan to him in his AOM. In my view, the Husband had not claimed or shown that this loan was taken for the benefit of the family or used for the family

expenses, and based on his evidence, I found that it was for his personal use alone. Hence, I did not think an increase in his indirect contributions due to him incurring this liability was warranted.

(E) BUSINESS LOAN FROM ONE [V] TO THE PARTIES

48 The Husband said that one [V] had loaned the parties $8,000 as at 12 May 2021. The Husband adduced a signed note from [V] dated 12 May 2021 (the "Note"), stating that the outstanding loan of $8,000 to the parties had not been paid as of that date. The Husband also listed [V] as a creditor in his AOM.

49 The Wife submitted that this alleged loan did not exist and should not be included as a matrimonial liability. She also submitted that the Note was "concocted" and an afterthought, as it was not provided earlier by the Husband during the AM proceedings in response to the Wife's requests. The Husband had only previously provided several WhatsApp messages showing that the Husband assured [V] around 2018 that he would repay [V] the full $8,000 by the end of the month.

50 In my view, the timing of the Note was suspicious, given that the Wife had requested for this evidence earlier in the proceedings and the Husband could have adduced it in his affidavit at that stage – instead, in that affidavit, he only adduced the WhatsApp messages between himself and [V], and he did not indicate that this was a joint loan to him and the Wife. Even if I accepted the veracity of the Note, it appeared this loan was to the Husband *solely*, and based on the WhatsApp messages adduced by the Wife, the loan may have been paid off sometime in 2018. Considering all the evidence, I was not persuaded that this loan existed presently. I did not make any deduction of such a sum from the pool of matrimonial assets.

(F) WIFE'S GREAT EASTERN FLEXILIFE 20 POLICY ENDING 6719

51 The Wife's position was that this policy was purchased when the Wife was 19 years old, and she paid five of the 15 premiums before the marriage. Thus, 1/3 of the value of this policy should be excluded, *ie* only the value of $5,365 should be included in the matrimonial assets. In the alternative, the surrender value of the policy prior to marriage *ie* $2,071 ought to be discounted, such that the value of the policy that was part of the matrimonial assets was $5,977.

52 The Husband's position was that this policy was worth $19,764, based on a WhatsApp message from the Wife on 28 September 2019. While the Wife took up the policy about 16 years prior to the parties' divorce, about 12 of those years of premiums were paid during the marriage, and for part of that time, while he was working in the USA, the Wife was dependent on his income and part of the allowance he gave her would have gone towards maintaining her insurance; thus, the entire value of the policy should be included in the pool of matrimonial assets.

53 First, based on the policy schedule provided by the Wife, I noted that as at year 16 of the policy, when the Wife was 35 years old (around the time the parties divorced), the surrender value of the policy was $8,048. I accepted this as the value of the policy, rather than the Husband's figure of $19,674 – as the Wife submitted, this would only be the surrender value of the policy when the Wife turned 39, if the Wife continued to pay the premiums.

54 Second, I considered whether the entire value of the policy should be added to the pool of matrimonial assets, or only a part thereof. I noted that this policy commenced from 14 June 2004, when the Wife was 19 years old. The parties married about four years later, on 31 July 2008. In my view, since this

policy was purchased *before* the marriage, this policy fell within the category of "pre-marriage assets" (*USB v USA and another appeal* [2020] 2 SLR 588 ("*USB v USA*") at [19(c)]), being an asset that the Wife acquired before the marriage and which had been partially paid for during the marriage by the Wife. Thus, the proportion of the value of the insurance policy that was acquired during the marriage should go into the pool of matrimonial assets, this being the material gains of the marital partnership (*USB v USA* at [28]).

55 I accepted the Wife's counsel's alternative position to discount the surrender value of the policy prior to marriage *ie* $2,071, such that the value of the policy that was part of the matrimonial assets is $5,977. I found this to be the most straightforward method, which accorded with the principles set out in *USB v USA* above at [54]. I thus adopted $5,977 as the value of the Wife's insurance policy.

(G) WIFE'S BMW

56 At the hearing on 14 October 2021, the Wife's counsel said that the Wife's BMW car had been left out of the Joint Summary and ought to be included under the Wife's assets in the Joint Summary. The Husband's counsel said that the value of this car was included in the valuation of [A] as a company asset, and to include it separately as the Wife's asset would be double-counting.

57 I noted that the First GH Report stated that "motor vehicle expenses are incurred for a second-hand … [BMW] that is registered under [the Wife] …" and that this BMW "is shown as an asset on the balance sheet of [E]". [GH] also took the Wife's BMW into account in making adjustments to its valuation of [A]. I therefore declined to add the value of the Wife's BMW to the value of the matrimonial assets as it had already been considered in the valuation of [A].

Unquantified sums

58 Parties should be committed to a full and frank disclosure of their assets so that a fair assessment of the total pool of matrimonial assets liable for division may be reached (*ie*, neither party is unfairly short-changed and both parties are placed in the best possible financial position after the breakdown of the marriage). An adverse inference may be drawn where both of the following criteria are satisfied (*UZN v UZM* [2021] 1 SLR 426 ("*UZN*") at [18], [21]):

> (a) there is a substratum of evidence that establishes a *prima facie* case against the person against whom the inference is to be drawn; and
>
> (b) that person must have had some particular access to the information he is said to be hiding.

59 The Husband alleged that the Wife had concealed bank accounts/monies, as her bank statements revealed substantial and unexplained accumulated deposits and withdrawals in excess of her declared income each month from January 2015 till February 2020. This pattern suddenly stopped from March 2020 onwards when IJ was granted. The Wife had refused to provide explanations for the large transactions reflected in her bank account in the last three or four years since 2015, despite the Husband filing an application for discovery and interrogatories requiring her to do so, or the Wife had only explained these transactions as her "personal expenses", which meant that the Wife was spending upwards of $20,000 a month in 2016 to 2018 and was untenable considering her take-home income of $8,797 per month. The Husband submitted that the average ratio should be adjusted by 10% in his favour.

60 The Wife submitted that this was a baseless assertion. The Wife had been ordered by the court to give *general* explanations for the transactions from

2019 onwards, and she had done so to the best of her recollection. Prior to 2019, she was not required to give any explanations for her various transactions, and it was thus unreasonable for the Husband to allege that the money spent during this time was unaccounted for. The Husband had also not provided any evidence to suggest that the Wife owned a separate account to which she had been channelling monies.

61 First, I accepted that the Wife was only directed to explain in general terms why there were such large deposits and withdrawals each month for her POSB Account ending 8341 (the "8341 Account"), relative to her declared income of $10,000, from January 2019 onwards. Thus, insofar as the Husband's submissions related to the Wife not explaining the deposits and withdrawals before January 2019, I did not find that this established a *prima facie* case of concealment by the Wife.

62 I then considered the Wife's bank statements for the 8341 Account from January 2019 to March 2020, which the Husband said had not been fully explained. I deal first with the Husband's allegations concerning the Wife's large deposits into the 8341 Account.

63 First, I noted that the Husband did not take into account the Wife's monthly salary of $8,797, which explained part of the accumulated total deposit in the 8341 Account each month. In any event, I was of the view that the Wife had provided sufficient explanation for the deposits into this 8341 Account. In her affidavit, the Wife explained that she received dividends of $30,000 in January 2019 and $60,000 in November 2019, which the Husband himself acknowledged. The Wife also explained that she received money from the Husband as repayment or for safekeeping, which was borne out by the WhatsApp messages between the parties, and that she received $5,656 in

October 2019 as a reimbursement from [A], $1,201 in February 2020 as a refund from an airline for a cancelled flight, and $1,235 in March 2020 from one [O] for her portion of a spin class package they had agreed to share. I found that these explanations, together with the Wife's monthly salary of $8,797, satisfactorily accounted for most of the deposits into the 8341 Account.

64 The Wife also explained in her affidavit that she would make various deposits into the 8341 Account in anticipation of upcoming expenses and liabilities, but she could not recall the specific details of each transaction. However, I did not find this to be suspicious. It was understandable that the Wife would not recall the reason for, or the source of, *every* single deposit in her bank account. I thus did not find the unexplained deposits into the 8341 Account from January 2019 to March 2020 to disclose a *prima facie* case of concealment by the Wife.

65 Third, the Husband said there were large accumulated withdrawals from the 8341 Account to "unknown locations", and that for 2019, the Wife had not provided explanations for $137,060 out of her withdrawal of $247,865, while for 2020, she had only accounted for a sum of $10,500.

66 I accepted the Wife's explanation that most of the withdrawals from the 8341 Account from January 2019 to March 2020 were to pay for her personal expenses. This was consistent with the quantum and frequency of withdrawals in the bank statements and the descriptions of each transaction (*eg* "Debit Card transaction", "Insurance", "Income Tax", "Point-of-Sale Transaction"). The Wife had also explained various other withdrawals that she made: these were transfers to the Husband's sister to help her with her university expenses, monthly transfers of $3,181 to [A] to repay money that the Husband had withdrawn from the company funds, fund transfers to [J] as repayment on the

Husband's behalf, repayment of $20,000 to [Q] for her loan to the Husband, various transfers to the Husband for his debts and expenses, transfers to the Wife's POSB eEveryday Account ending 7839 (the "7839 Account") and payment to the Wife's solicitors in January 2020. While the Wife was not able to explain every single withdrawal, I did not think this gave rise to a *prima facie* case of concealment by the Wife.

67 Finally, I noted that in the Husband's submissions, he said the Wife only had about $34,000 in her "POSB eEveryday account", which appeared to be the Wife's 7839 Account, and how the implication of the large transactions was that the Wife "must have been chanel[l]ing/diverting funds through the said account to unknown account(s) which were clearly not disclosed in her ancillary affidavits". The relevance of this submission was unclear given that the alleged "unexplained large transactions" related to the Wife's 8341 Account, not the Wife's 7839 Account. In any event, if this submission was meant to refer to the 8341 Account, I did not see how the mere fact that there were "large transactions" led to the conclusion that the Wife must have been channelling money through the 8341 Account to some other, undisclosed account. Even if the Wife was unable to explain every single deposit and withdrawal, that did not necessarily mean she was withholding disclosure of another bank account. These deposits could have come from other sources besides some undisclosed bank account by the Wife and, as I have said above, I accepted that the other withdrawals were for the Wife's personal expenses.

68 In conclusion, I found that there was insufficient basis to draw an adverse inference against the Wife.

The total pool of matrimonial assets and liabilities

69 The net value of the pool of matrimonial assets liable for division was $1,576,969, as set out in the table below.

S/N	Manner of Holding	Asset	Net Value / $
1.	Joint Names	Property [X]	490,312
1.	Wife's Name	POSB Savings Account ending 8341	14,937
2.		POSB eEveryday Savings Account ending 7839	34,006
3.		POSB Current Account ending 7449	0
4.		UOB Cashplus ending 3162	0.17
5.		Citibank Credit Line ending 6852	0.02
6.		Great Eastern Flexilife 20 Policy ending 6719	5,977
7.		Wife's CPF	65,249
8.		Shares in [A]	703,000
1.	Husband's Name	Husband's CPF	65,518
2.		POSB Passbook Savings Account ending 1933	4,028
3.		BMW car	21,942
4.		Loan from [Q]	-80,000
5.		Shares in [A]	252,000

S/N	Manner of Holding	Asset	Net Value / $
Total Net Value of Matrimonial Assets			1,576,969

Proportions of division

70 The parties agreed that the structured approach in *ANJ v ANK* should apply to the division of the matrimonial assets.

Direct Contribution Ratio

(1) Agreed Direct Contributions

71 I summarise the parties' agreed direct contributions as follows, using either the agreed values or the values I have found above:

S/N	Asset	Husband / $	Wife / $
1.	POSB Savings Account ending 8341	0	14,937
2.	POSB eEveryday Savings Account ending 7839	0	34,006
3.	POSB Current Account ending 7449	0	0
4.	UOB Cashplus Account ending 3162	0	0.17
5.	Citibank Credit Line ending 6852	0	0.02
6.	Great Eastern Flexilife 20 Policy ending 6719	0	5,977
7.	Wife's CPF	0	65,249

S/N	Asset	Husband / $	Wife / $
8.	Husband's CPF	65,518	0
9.	POSB Passbook Savings Account ending 1933	4,028	0
10.	Husband's BMW car	21,942	0
Sub-total of agreed direct contributions		**91,488**	**120,169**

(2) Disputed Direct Contributions

72 The parties disagreed over their direct contributions to some of the assets. I will consider each in turn.

(A) PROPERTY [X]

73 At the hearing, the Wife's counsel submitted that the court should pro-rate the parties' actual direct contributions against the net value of Property [X]; she also included her calculations in the Joint Summary based on this "pro-rated approach". Based on the Wife's own calculations in the Joint Summary, I did not think there was much difference between using the pro-rated approach and using the parties' actual direct contributions. I used the parties' actual direct contributions.

(I) CPF CONTRIBUTIONS

74 For the parties' CPF contributions, the Wife's position was to use only the principal sum that was contributed, while the Husband included both principal and interest. There was not much difference between their figures. I used the principal sum, *ie* the Wife's numbers; thus the Husband's direct contribution was $95,170 and the Wife's direct contribution was $93,751.

(II) CASH FROM THE HUSBAND'S FATHER

75 For the $173,347 from the Husband's father, I found that this was a gift to the parties jointly, and not solely to the Husband. The Husband's father acknowledged on affidavit that he had made the transfer for the benefit of both the parties, and further, I found that he had provided the sum for the parties to purchase Property [X] in their joint names (see *BON v BOQ* at [9]). I thus attributed this sum equally between the parties as their direct contributions, *ie* $86,673 each.

(III) RENOVATION PAYMENTS

76 For the POSB renovation loan, the parties did not dispute that the quantum of the loan was $23,300. However, the Husband attributed this sum as his sole direct contribution, while the Wife attributed it equally between them. Based on the letter from DBS dated 20 May 2015 adduced by the Husband, this $23,300 renovation loan was taken out in the Husband's sole name, and was also paid for from his sole bank account. The Wife accepted this, but said that the Husband was reliant on her to transfer him cash every month; hence, the payments for this loan should be attributed equally between them.

77 Based on the Husband's own AOM, I noted that he accepted the Wife transferred him about $4,500 each month for his monthly expenses while he was employed with [E]. This was borne out by the WhatsApp message between him and the Wife where he asked her if she would be transferring $4,500 to him that day. I accepted that the Wife made some contribution towards these payments. Given the evidence, I apportioned it equally between the parties, *ie* $11,650 each.

78 As for the renovation cash deposit of $1,000 and the renovation cash sum of $4,450, both parties said it should be attributed as their sole direct contribution. The Husband adduced copies of invoices the parties received from the interior designer from February 2015, and highlighted that, in contrast, the Wife's bank transfer was only dated January 2016. The Wife referred to an invoice dated 24 November 2015 made out in the Husband's name.

79 In my view, the evidence did not show that either party was solely responsible for these payments. While the DBS renovation loan letter was addressed to the Husband and some of the invoices/receipts only named the Husband as the sole client, there was also a quotation addressed to both the Husband and the Wife. In any event, just because a letter or an invoice is addressed to only one party does not necessarily mean that that party was solely responsible for those payments. In the circumstances, I attributed the sums of $1,000 and $4,450 equally between the parties.

80 Finally, for the renovation payment to [F] of $2,006, the Wife said this should be attributed as her sole direct contribution. She adduced a bank statement showing that she paid $2,006 from her 8341 Account to [F] on 10 January 2016. At the hearing, the Husband's counsel accepted that this money came from the Wife's bank account but submitted that this payment originated from the shared income that the parties had used throughout the marriage. This was quite a small sum compared to the total value of the matrimonial assets, and for parity with the other renovation payments, I likewise attributed this equally between the parties, *ie* $1,003 each.

(IV) FEE FOR REPRICING THE MORTGAGE LOAN

81 The Wife said that she solely paid the fee of $500 for repricing the mortgage loan in October 2019, and adduced emails between her and the bank

to show this. In my view, the emails alone did not show that the Wife solely paid this $500 – the Husband was copied in the emails to the bank, and the parties could have issued the cheque together. I attributed this $500 equally between the parties, *ie* $250 each. In any case, this was a very small sum.

(B) 80% OF BUSINESS [A]

82 With respect to the parties' shares in [A], the Wife said that her direct contributions were $955,000 and the Husband contributed $0, while the Husband said that the parties equally contributed to [A] and their respective direct contributions should be $2,177,230.

83 The Wife submitted that, prior to the incorporation of [E], she had operated a home business as a sole proprietor under the name of [Y] and had built up the business on her own. She had also used her earnings from this home business to pay for the expenses of [E] when it was incorporated in March 2016. She submitted that the Husband's contributions towards the founding of [E] were limited, as he had lived and worked in Japan from 2013 to 2015 during the early years of her home business, and was largely absent even when he was in Singapore. Even when the Husband became a full-time employee of [A], he did not make significant contributions to the business. The Wife also submitted that the Husband had conducted himself in a manner that undermined the business rather than building it up, *eg* by using company funds to pay for his casino visits in Singapore.

84 The Husband submitted that [A] was a joint effort between him and the Wife from the beginning. The parties had first set up a similar business, [L], around June 2012 as a joint undertaking, and when it ceased operations in December 2012, the parties re-purposed its unused stocks to be used in [Y]. The Husband had, during this time, worked to support the family and finance their

debts from the failed [L] business. Between 2012 and 2017, the Husband held both his day job and worked on [A], and was actively involved in logistics and other matters for [A]. In support of this, he adduced photographs he took of the renovation for [A]'s business outlets and for training sessions, and his communications with contractors and suppliers.

85 After July 2017, the Husband resigned from his job with [K] to focus wholly on [A]. He was a director and joint bank signatory for each of the four [A] companies from March 2016 up till 2019. According to the Husband, he had agreed to the Wife holding a larger shareholding in [E] on paper for several reasons – in case he ran into difficulties with his then-employer, [K]; to minimise risk for the parties, as he had taken on the liabilities from the failed [L] business; and to assure the Wife he was serious in overcoming his gambling problem.

86 I did not accept the Wife's position that she should be credited with 100% of the value of [A]. Based on the evidence adduced by the Husband, I accepted that he had made *some* contributions towards the business, even if the Wife's claims that these were not significant were to be believed. Even in the affidavit of [N], the Head of Operations for [E], I noted that she accepted that the Husband had done some work for [A], *eg* delivering inventory between various branches, making trips to the bank for cash deposits, and placing orders for the company's customised uniform and bags. For completeness, I noted that in [Q]'s affidavit, [Q] said she agreed to invest in [A] on the basis that the Wife would run the business and control all operations. But this did not mean that the Husband contributed nothing to the business.

87 That said, I did not accept the Husband's position that the parties should be attributed with equal direct contributions. I noted that they had unequal

shareholdings in [A]. In my judgment, it was fair to attribute the value of each party's shares in [A] as their direct contributions. Hence, the Husband's direct contribution was $252,000, and the Wife's direct contribution was $703,000.

(C) LOAN FROM THE HUSBAND'S FATHER OF $234,720 FOR [L]

88 The Husband submitted that the loan of $234,720 from his father for the failed [L] business should be attributed between him and the Wife equally, *ie* $117,360 each. The Husband's father's affidavit confirmed that he had lent the parties this $234,720, and stated that the Husband's father sought the return of this loan now that "the parties have parted ways".

89 However, the Husband stated in his AOM that [L] ceased business in December 2012. Since this business had failed, there was no "asset" for which I could assess the parties' direct contributions. The Husband's counsel submitted at the hearing that the unused inventory from [L] went towards the Wife's home business, which the Wife also accepted, but even if that was the case, that could not count as a direct contribution to *[A]* since that was for a different business. I found the link to [A] too tenuous, and I hence did not attribute this $234,720 either to the Husband or to both the parties.

(D) LOAN FROM THE HUSBAND'S GODMOTHER [Q] OF $80,000

90 The Husband said this should be attributed between him and the Wife equally, so $40,000 should be attributed to each party. The Wife said it should be attributed to the Husband solely. As I found above that this was a loan to the Husband solely (at [43]), I attributed this liability solely to the Husband. As I explained above at [47], I did not increase the Husband's indirect contributions.

(E) BUSINESS LOAN OF $8,000 FROM ONE [V]

91 The Husband said this should be attributed between him and the Wife equally, *ie* $4,000 each. The Wife said it should not be included as a liability at all. As I said above (at [50]), I was not persuaded of the existence of this alleged loan and hence did not include this in the pool of matrimonial assets.

(3) Conclusion on the Direct Contribution Ratio

92 In conclusion, I found that the direct contribution ratio of the parties was as follows:

	Husband	**Wife**
Sub-total of agreed direct contributions	91,488	120,169
Loan from [Q]	-80,000	0
Property [X]	197,471	196,052
[A]	252,000	703,000
Total	460,959	1,019,221
Ratio	**31%**	**69%**

Indirect Contribution Ratio

(1) The Wife's position

93 The Wife's position was that the indirect contributions ratio should be 60:40 in her favour. She submitted that the Husband was addicted to gambling throughout the marriage, which left the parties mired in debt from the very start, and took out multiple loans which the Wife had to repay. The Wife also

submitted that she left her job in 2008 so she could accompany the Husband to his posting in the USA, which the Husband also acknowledged.

94 Due to the Husband's incessant gambling, the Wife was solely responsible for paying all the parties' household expenses since they returned to Singapore from the USA. Nonetheless, the Wife said she stood by the Husband despite his gambling addiction, and arranged counselling for him. She also made efforts to get to know the Husband's family better and even loaned the Husband's sister money to fund her expenses during her overseas studies. Despite this, after August 2019 the Husband was often absent, even during the Wife's fertility treatments, and engaged in extra-marital affairs. The Wife said that he also tried to kill her on 27 February 2020 by dragging her over the balcony railing of their home, for which the Wife was granted a Personal Protection Order on 5 June 2020.

95 Lastly, the Wife submitted that the final ratio of division should be adjusted in her favour, and that direct financial contributions ought to be given greater weight in this marriage given that this was not a long marriage and indirect contributions did not play a significant role. Further, the Husband had exclusive occupation of the matrimonial home since the Wife moved out on 1 February 2020, and he had installed an additional lock on the matrimonial home that prevented her from entering. The Husband had also surreptitiously leased out the matrimonial home since 15 December 2020 and kept the rental proceeds for himself, without consulting the Wife or seeking her consent, and had lied to the Housing Development Board about the duration of the tenancy as well as having obtained the Wife's consent. To date, the Husband had not reimbursed the Wife for her share of the rental proceeds.

(2) The Husband's position

96 The Husband's position was that the indirect contributions ratio should be 50:50. From December 2008 to January 2012, while the parties were living in the US, the Husband was the sole breadwinner of the family. Although he did struggle with a gambling addiction, and only stopped gambling in September 2018, he was nonetheless able to provide the Wife with a comfortable life and paid for all her expenses and her [M] training.

97 After the parties returned to Singapore in 2012, they lived rent-free at the Husband's father's home for about three years until 2015, when they collected the keys to Property [X]. The Husband's father also allowed the Wife to use a spare room in his house to take clients before they opened [E] in 2016.

98 The Husband also submitted that, after [L] failed in end 2012, the Husband worked to support the family and to pay off the parties' business debts, leaving the Wife free to focus her efforts on the business. The Husband had sacrificed his own career progression when he left [K] around July 2017 to focus on running [A] with the Wife, and to this day, continued to pay off debts from the failed [L] business while the Wife continued to distance herself from it.

(3) My findings

99 With respect to the parties' indirect financial contributions, I noted that the Husband had been involved in gambling activities throughout the marriage, and that the Wife had taken out loans to pay his debts. This was evidenced from the counterclaim for the divorce proceedings (which the Husband accepted), where, in particular, I noted that the Wife had taken out a $160,000 loan in August 2018 to pay off debts accumulated by the Husband. I also accepted, based on the affidavit evidence before me, that the Wife had contributed more

to running [A]. That said, I found that the Husband had supported the Wife in the early years of the marriage while they were living in the USA and had been involved in the running and expansion of [A] – even if his job scope in [A] may have been less extensive than the Wife's.

100 With respect to the parties' indirect non-financial contributions, I noted that in the counterclaim, the Husband accepted that the parties spent a significant amount of time apart as he had moved to Japan for work from 2013 to 2015, and that he had engaged in extra-marital affairs. Based on the parties' affidavit evidence, I also accepted that the Wife made sacrifices for the marriage, such as accompanying the Husband to the USA for work for about three to four years at the start of the marriage, and supporting him throughout his gambling addiction.

101 In my judgment, the Wife should be credited with a higher indirect contribution ratio to reflect her sacrifices and efforts in sustaining the marriage, particularly in its later years. At the same time, however, the ratio should reflect the Husband's contributions in supporting the Wife through building up [A]. I found it fair to assign the indirect contributions ratio of 60:40 in favour of the Wife.

Overall Ratio

102 Using a broad-brush approach, averaging the direct contribution ratio and indirect contribution ratio above resulted in an average ratio of 64.5:35.5 in favour of the Wife. I rounded this to a final division ratio of 65:35 in favour of the Wife; I noted that the Husband had used the matrimonial home to the exclusion of the Wife since February 2020 and leased it out since December 2020, and this is a factor to which the court may have regard in dividing the

matrimonial assets (s 112(2)(*f*) of the Women's Charter). The calculations are set out here:

	Husband	**Wife**
Direct contributions	31	69
Indirect contributions	40	60
Average Ratio	35.5	64.5
Final Ratio	35	65

103 In this case, I did not see cogent reasons to adjust the weightage for either direct or indirect contributions (*USB v USA* at [41]–[42]). I ordered that the final ratio of division be 65:35 in favour of the Wife. This was fair in the specific circumstances of the case with a factual matrix of a marriage of 11.5 years with no children. As I found the total pool of matrimonial assets to be $1,576,969, the Wife's share was $1,025,029 and the Husband's share was $551,939.

104 I ordered that the parties should work out the consequential orders, and if they were able to come to an agreement on them, they were to send a draft to the court for approval, indicating their consent before extracting the said order. The parties had the liberty to apply to court, should they be unable to come to an agreement on the consequential orders.

Costs

105 I ordered that costs were to be agreed between the parties, and if not agreed, they were at liberty to write to the court for directions in respect of costs. I noted, however, that parties should seriously consider the option of bearing his or her own costs in respect of this AM matter.

106 I also informed parties that they should write to alert the court if they perceived any *factual or typographical errors, in computations or otherwise,* on the various figures stated, within one week from the date of the judgment.

Debbie Ong
Judge of the High Court

Oh Kim Heoh Mimi (Ethos Law Corporation) for the plaintiff;
Gill Carrie Kaur and Marcus Ho Shing Kwan (Harry Elias Partnership LLP) for the defendant.