

Heap Huat Rubber Company Sdn Bhd and Others v Kong Choot Sian and Others (No 2)
[2004] SGCA 24

Case Number : CA 64/2003/R
Decision Date : 28 May 2004
Tribunal/Court : Court of Appeal
Coram : Chao Hick Tin JA; Lai Kew Chai J; Yong Pung How CJ
Counsel Name(s) : Philip Jeyaretnam SC and Jean Lim (Rodyk and Davidson) for appellants;
Respondents in person
Parties : Heap Huat Rubber Company Sdn Bhd; HHR Properties Sdn Bhd; HHR Trading Sdn Bhd; HHR Construction and Supply Sdn Bhd — Kong Choot Sian; Kong Siew Seng; Ng Phuay Khoon

Companies – Directors – Remuneration – Whether directors' remuneration was authorised by company's articles of association.

28 May 2004

Lai Kew Chai J (delivering the judgment of the court):

1 In our judgment dated 30 March 2004 ([2004] SGCA 12), we allowed the appellants' appeal in part and ordered, *inter alia*, that:

(a) the payments received by the second respondent, Kong Siew Seng ("Siew"), and the third respondent, Ng Phuay Khoon ("Phuay"), from the first appellant, Huap Huat Rubber Company Sdn Bhd ("HHR"), on or after 1 January 1998, were to be refunded by Siew and Phuay to HHR; and

(b) the "bonuses" or other moneys received by the first respondent, Kong Choot Sian ("Kong"), from the second to fourth appellants – HHR Properties Sdn Bhd ("HHR Properties"), HHR Trading Sdn Bhd ("HHR Trading") and HHR Construction and Supply Sdn Bhd ("HHR Construction") – which were not provided for in his contracts for services, were to be refunded to these companies.

2 Further to our judgment, we would clarify that:

(a) the payments received by Siew from HHR on or after 1 January 1998 total S\$86,000 and RM28,650;

(b) the payments received by Phuay from HHR on or after 1 January 1998 total S\$168,710 and RM55,275; and

(c) the "bonuses" or other moneys received by Kong from HHR Properties, HHR Trading and HHR Construction, which were not provided for in his contracts for services, total RM308,400.

We note that Siew, Phuay and Kong admitted, in the course of cross-examination, to having received these payments.

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