

JUDGMENT SUMMARY

Neutral Citation	[2021] ADGMCFI 0001
Case Number	ADGMCFI-2020-020
Name of Case	NMC Healthcare LTD and associated companies
Judge	Justice Sir Andrew Smith
Date Issued	14 March 2021
Catchwords	Application seeking confirmation of powers of joint administrators. Joint administrators' powers to act on behalf of a company in regard to a sale of shares.
Cases Cited	–
Legislation and Authorities Cited	ADGM Insolvency Regulations 2015 – Section 95(7)
Executive Summary	This judgment addressed an application made by the joint administrators (the “ JAs ”) of NMC Healthcare Ltd and its associated companies seeking confirmation of their authority under the Insolvency Regulations 2015 to sell shares in Cytomed Middle East LLC. The Court confirmed that the JAs possessed the necessary powers to undertake this sale as it falls within their established authority to manage and realise company assets during the administration period.
Overall Summary	<p>Background</p> <p>This Abu Dhabi Global Market (“ADGM”) Court of First Instance (Commercial & Civil Division) judgment relates to the insolvency of NMC Healthcare Ltd and 35 of its associated companies.</p> <p>The judgment considered an application made by the joint administrators of NMC Healthcare Limited and 35 of its associated companies, including New Medical Centre Trading Limited (the “JAs”). Under the administration Order, the JAs were granted various powers, including the power to sell or dispose of company property, use the company's seal, execute documents like contracts and share transfers on behalf of the company, represent the companies before ministries and government departments</p>

	<p>inside and outside the UAE, and do anything necessary for the realisation of company property or the management of company affairs.</p> <p>The specific application sought an Order expressly stating the JAs' power to act on behalf of New Medical Trading Limited in relation to the sale of shares in a company called Cytomed Middle East LLC (“Cytomed”). The application was also made in their capacity as JAs of NMC Healthcare Limited concerning the same shares. The shares in Cytomed are held 49% by New Medical Trading Limited and 51% by Mr Saeed Alqebaisi. Mr Alqebaisi was obliged to transfer his shares on the directions of NMC Healthcare Limited.</p> <p>The JAs wished to sell the Cytomed shares for reasons which appeared proper to the Court. Their primary reason for seeking a specific Court Order was to enable or assist them in satisfying requirements of competent authorities in the UAE, particularly regarding restrictions on dealing with NMC companies' assets without the consent of the Attorney-General of Abu Dhabi.</p> <p>The JAs submitted that they already possessed the power to sell the shares as part of the assets they control and are free to realise in order to achieve the administration's purpose. They were merely seeking confirmation of this existing power.</p> <p>Analysis and Conclusion</p> <p>The Court accepted this submission, finding that the JAs have the power to act on behalf of New Medical Trading Limited and NMC Healthcare Limited regarding the sale of Cytomed shares. The Court found that it had the power to make the Order sought under Section 95(7) of the ADGM Insolvency Regulations 2015 and was satisfied that it was proper and in accordance with the purpose of the administrations.</p> <p>The Court also considered the position of Mr Alqebaisi, noting a freezing Order against his assets in London, UK. The Court determined that the Order sought would not conflict with the freezing Order but acknowledged Mr Alqebaisi's concern about potential conflicts. To address this, the Court directed that the Order not be issued before noon on Sunday, 14 March 2021 (GST). If any application or representation was made by Mr Alqebaisi or anyone else before that time, then the Order was not to be issued until the Court considered it and made further directions.</p>
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This statement is not intended to be a substitute for the reasons of the Court or to be used in any later consideration of the Court’s reasons.