

JUDGMENT SUMMARY

Neutral Citation	[2025] ADGMCFI 0012
Case Number	ADGMCFI-2025-143
Name of Case	Al Khaleej Investment PSC v Ocean Pearl Real Estate Comp LLC
Judge	Justice Paul Heath KC
Date Issued	10 June 2025
Catchwords	Service of claim by email on a company. Whether a claim served on a person who is listed on government or official record for a company constitutes service of the claim on that company. Whether there is a sufficiently arguable defence such that an extension of time should be granted to the defendant to file a defence to the claim.
Cases Cited	American Cyanamid Co v Ethicon Ltd AC 396 Awad v 3AM Property Investment Company LLC [2025] ADGMCFI 0003 Price v Strange [1978] Ch 337
Legislation and Authorities Cited	Cabinet Resolution No (41) of 2023 Abu Dhabi Law No (4) of 2023 (as amended by Law No (12) of 2020) ADGM Real Property Regulations 2024 ADGM Real Property Regulations 2015 ADGM Application of English Law Regulations 2015 ADGM Court Procedure Rules 2016 - Rules 2, 3(a), 3(c), 15(1), and 16A(1)
Executive Summary	This judgment considered an Extension of Time Application filed by Ocean Pearl Real Estate Comp LLC ("Ocean Pearl") against Al Khaleej Investment P.S.C. ("Al Khaleej"). The application sought to extend time for Ocean Pearl to file an Acknowledgment of Service and Defence to a specific performance claim.
Overall Summary	Background This Abu Dhabi Global Market ("ADGM") Court of First Instance (Commercial & Civil Division) judgment concerns the application made by Ocean Pearl Real Estate Comp LLC ("Ocean Pearl") for an extension of

	<p>time (the “Extension of Time Application”) to file an Acknowledgment of Service and Defence to a specific performance claim (the “Specific Performance Claim”) made by Al Khaleej Investment P.S.C. (“Al Khaleej”).</p> <p>The dispute arose from a Sale and Purchase Agreement (the “Agreement”) dated 24 December 2024, where Ocean Pearl agreed to sell land on Shams, Al Reem Island, Abu Dhabi (the “Property”) for AED 105 million to Al Khaleej. Al Khaleej provided a security cheque of AED 21,000,000 and alleges Ocean Pearl failed to complete the settlement. The Property's legal status changed, coming under ADGM Real Property Regulations from 1 January 2025, which impacts how specific performance is determined.</p> <p>Key events in chronological order include:</p> <ul style="list-style-type: none">• On March 24, 2025, Al Khaleej filed the Specific Performance Claim.• The ADGM Courts’ Registry served the claim by email on March 24, 2025, with an Acknowledgment of Service due by April 7, 2025.• On April 15, 2025, Al Khaleej applied for a default judgment due to Ocean Pearl's failure to acknowledge service (the “Default Judgment Application”).• On April 16, 2025, the Court issued an Interim Injunction Order preventing Ocean Pearl from dealing with the Property, finding Al Khaleej had a “<i>seriously arguable case</i>” for specific performance and the balance of convenience favoured the injunction. This injunction remains in force.• Ocean Pearl entered a Notice of Appearance on May 1, 2025, and filed its Extension of Time Application on May 2, 2025. <p>Analysis</p> <p>The Court addressed two substantive issues in the Extension of Time Application: (i) the Service Issue; and (ii) the Defence Issue.</p> <p>Regarding the Service Issue, Ocean Pearl argued that the claim was not validly served, contending that service via an email address associated with Mr. Haytham Sultan, a PRO at DAMAC (Ocean Pearl's parent company), was invalid because he was not an officer of Ocean Pearl and not authorized to accept service.</p> <p>The Court found that the Registry had obtained Mr. Sultan's email address from Ocean Pearl's “<i>Business Licence Details</i>” with the Ministry of Economy. Citing ADGM Court Procedure Rules 16B(3)(a) and Practice Direction 6, paragraph 6.17(e), the Court determined that an email address found on an official or government record “<i>shows that the email account belongs to</i>” an officer of the company, rendering the service valid. The Court emphasized that it is the responsibility of companies to keep their contact details on official documents updated.</p>
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	<p>On the Defence Issue, Ocean Pearl outlined several grounds for defence, including:</p> <ul style="list-style-type: none"> • Denial of breach. • Allegation that Al Khaleej failed to comply with its obligations, including signing all required documents. • The change in property registration requirements (from Abu Dhabi Land Registry to ADGM registry) due to the Property's new ADGM jurisdiction. • Al Khaleej, being registered in Ras Al Khaimah, and lacking an ADGM Commercial Licence, allegedly cannot take title to property within the ADGM. • Al Khaleej established an ADGM company (Prime Reem 151 SPV Ltd) but did not assign the Agreement to it. • A lack of evidence that the Agreement was registered by the purchaser under UAE law. <p>While some grounds required further particularization, the Court found that the change in registration requirements and the question of whether a non-ADGM entity could own land in the ADGM raised "<i>questions of some importance</i>" relevant to the Court's discretionary equitable jurisdiction to grant specific performance and its terms. Despite noting that the argument a non-ADGM entity could not take title seemed "<i>not to be arguable</i>," had Al Khaleej already owned the land, the existence of these points was deemed sufficient to justify an extension of time.</p> <p>Conclusion</p> <p>The Court granted the Extension of Time Application. Ocean Pearl's Notice of Appearance filed on May 1, 2025, was treated as its Acknowledgment of Service. Ocean Pearl was granted permission to file and serve its Defence by 4:00 pm on June 30, 2025. If the Defence is filed, the Default Judgment Application will be dismissed. If not, Al Khaleej has the liberty to restore its Default Judgment Application and request default judgment. The Interim Injunction Order remains in force. Costs for both the Extension of Time and Default Judgment applications were reserved.</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.