SIArb Case Digest 2025

Novo Nordisk A/S v KBP Biosciences and another and another matter [2025] SGHC (I) 3

Nature of Matter	Applying s12A of the IAA, Singapore High Court granted a worldwide Mareva injunction to aid a New York arbitration due to the tribunal being unable to act effectively for the time being
Case Summary	**The parties:** 1. Novo Nordisk A/S ("**Novo**") claims in a New York arbitration that it was misled into believing that KBP Biosciences Pte Ltd ("**KBP**") developed a new and effective drug to treat hypertension and kidney disease, called Ocedurenone. 2. KBP is the defendant in the New York Arbitration. 3. Mr Huang is the founder and an executive at KBP, who entered into the Asset Purchase Agreement ("**APA"**) on behalf of KBP. **The agreements:** 4. The rights to the drug were acquired by Novo under the APA. 5. The arbitration clause in the APA also extends to Dr Huang, who executed the APA on KBP's behalf. Novo's position was that Dr Huang is bound by the arbitration agreement. **Procedural history:** 6. The Tribunal for the arbitration had not yet been constituted pursuant to the International Chamber of Commerce ("**ICC**") Rules. 7. Recourse to an Emergency Arbitrator under the ICC Emergency Arbitrator Rules was not available *ex parte* or without notice. 8. Novo then sought a worldwide Mareva injunction against KBPand Dr Huang.
<u>Ruling</u>	The Singapore High Court accepted Novo's submissions and held that Section 12A of the International Arbitration Act 1994, read with Section 18I of the Supreme Court of Judicature Act 1969, permits the Singapore Courts to make an *ex parte* worldwide Mareva injunction in aid of a New-York seated arbitration: 9. Novo submitted that there is a good case for fraud on the merits under New York law, which the court accepted, based on evidence that KBP had failed to make material disclosures on negative clinical trials. The court found there was a good arguable case Mr Huang was aware of and participated in the misrepresentations. 10. Novo also submitted that there is a real risk that the defendants will dissipate their assets to frustrate enforcement of an anticipated arbitral award. The court also accepted this based on expert analysis identifying significant transfers of funds from KBP to its holding company. 11. Novo submitted that the fact that the dispute is a New-York seated arbitration does not make it inappropriate for the Singapore court to grant the worldwide Mareva injunction.

	a. The court accepted this, for two reasons. First, the Judge was satisfied that there was a sufficient link between the New-York seated arbitration and Singapore, as the defendants have significant assets in Singapore, including a substantial fixed deposit and Dr Huang's property. KBP is also a Singapore-incorporated company, and Dr Huang is a Singaporean citizen. b. Second, granting the worldwide Mareva injunction would not interfere with the management of the case by the arbitral tribunal or the New York Courts (which do not permit worldwide Mareva injunctions). Further, in cases of potential international fraud, it is desirable to be supportive of the processes of the primary adjudicator. 12. Novo submitted that the case is one of urgency and the arbitral Tribunal has no power to or was unable for the time being to act effectively. a. The court accepted this. There was no arbitral tribunal constituted yet. The ICC's Emergency Arbitrator rules could not apply because an application could not be heard *ex parte* under those rules. b. The court held that it is in precisely such a scenario where the IAA's grant of powers to the court under s12A is useful where there is a gap in protection. c. The court also agreed that the risk of dissipation of assets justified the application being made *ex parte.*

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