



Press Summary

Judgment – Commercial Court (Mr Justice Andrew Baker)

Skatteforvaltningen (the Danish Customs and Tax Administration) (Claimant) v Solo Capital Partners LLP and others (Defendants)

[2025] EWHC 2364 (Comm)

2 October 2025

Note: This summary is provided to assist in understanding the decision of the court. It does not form part of the decision or the reasons for the decision. The only authoritative document is the full judgment of the court, which will be published on the National Archives (<https://caselaw.nationalarchives.gov.uk/>).

1. Five Claims were brought by the Danish national tax authority ('SKAT') in the Commercial Court in London, and consolidated. SKAT alleged that between mid-2012 and mid-2015, it was misled into paying over 4,000 invalid dividend tax refund claims. The total paid by SKAT in response to those claims was c.DKK12.1 billion (equivalent today to c.£1.4 billion). SKAT alleged that it was the victim of fraud, and of a conspiracy to commit fraud against it involving many individuals and corporate entities based in various locations around the world, including London, Dubai, New York and Malaysia. Across the five Claims, in total 106 defendants were named. For various reasons SKAT's claims against 50 of those defendants did not have to be decided by the court. The main trial in the litigation, occupying 138 days (108 sitting days and 30 reading days) between 9 April 2024 and 10 April 2025, was the trial of SKAT's claims against the remaining 56 defendants, 21 individuals and 35 corporate entities.
2. The tax refund claims about which SKAT complained in the litigation related to trading in Danish shares on a cum-ex basis. When a Danish company declares a dividend on its shares, the shareholders for receipt of dividend payments from the company are identified on the 'record date', a set number of business days after the dividend declaration date. A share trade is on cum-ex terms if it is entered into on or before a dividend declaration date and requires performance, typically referred to as 'settlement', after the record date for that dividend. Trading on cum-ex terms has been controversial. One of the main individuals involved in the activities about which SKAT complained is Sanjay Shah, who founded his Solo Capital group in London in 2009. In October 2021, Mr Shah said this about the Danish cum-ex scandal: "... *just going back to what happened in Denmark, why would they pay out for years and years and then, after four years of payments, they say, "Oh, we made a mistake, or we were*

cheated”? If there’s a big sign on the street saying, “please help yourself”, then me or somebody else would go and help themselves”.

3. The judgment decides whether SKAT was ‘cheated’ in the sense alleged by it in the litigation. Sanjay Shah is one of several trial defendants who have been convicted in Denmark on criminal charges arising out of the activities considered in the judgment. A New York federal jury has awarded SKAT US\$500 million in damages against a number of parties involved in some of those activities. There are also some judgments in favour of SKAT in Dubai. None of those decisions was relevant to whether any of the claims put forward by SKAT in the English proceedings was a good claim. That had to be judged by reference to the claims that SKAT pursued at the trial in London, all of which were governed by English law, and the evidence and argument presented at that trial, on which the English court was obliged to reach its own conclusions.
4. The broad factual claim advanced by SKAT was that funding for the cum-ex trading strategies upon which Sanjay Shah had focused dried up by late 2011, and that he and senior individuals working for him turned to fraud, developing a cum-ex trading model they knew and intended would result in false statements being made to SKAT to trick it into paying invalid tax refund claims. A large cast of individuals was assembled, all of whom, SKAT alleged, were made aware or became aware that the business in which they were participating existed to deceive SKAT, but participated anyway, through greed.
5. The judgment notes that greed can be a powerful motive, and finds that greed was present, but concludes that the evidence at trial did not prove SKAT’s claim. The court does not accept claims made by Sanjay Shah and some others that they had a reasonable belief that their cum-ex trading models generated valid tax refund claims under Danish tax law, but that does not prove the deceit alleged by SKAT. The court’s rejection of narratives put forward by defendants includes findings that some, including Sanjay Shah, were dishonest in various ways. That likewise does not prove the case pursued by SKAT at trial. It was capable of lending indirect support to that case, but the judgment decides, on the evidence as a whole, that the case put forward by SKAT was not established.
6. The court finds that the money-making strategies examined in the litigation were pursued, and worked between mid-2012 and mid-2015, not because Sanjay Shah and others identified that they involved falsehoods being told to SKAT that might trick it into paying, but went ahead anyway. Rather, those strategies were pursued, and worked, because the individuals in question did not identify any such thing. They did not consider that anything untrue would be stated to SKAT, so they implemented the strategies, and they found that SKAT paid. Even taking account of various conduct considered by the court to have been dishonest, the court concludes that the strategies would not have been pursued if they had been thought to involve false statements being made to SKAT to mislead it into paying claims.

7. More fundamentally, and the primary ground for the court's decision in the case, the judgment finds that SKAT was not misled into paying by misrepresentations made to it through the tax refund claims it received, as it alleged. Its controls for assessing and paying dividend tax refund claims were so flimsy as to be almost non-existent. That came to be exploited, but without the misrepresentations alleged by SKAT being made to it or influencing it in the making of payments. The conclusion is not that SKAT should have identified that it was being misled – it is not a defence to a fraud claim to argue that the alleged victim should have spotted the fraud. The conclusion is that SKAT was not being misled by any of the misrepresentations it claimed were being made to it, which for the most part the judgment finds were not being made to it anyway.
8. The judgment finds that none of the 4,000+ tax refund claims examined at trial was a valid claim under Danish tax law, which means that SKAT would have been entitled not to pay any of them. However, SKAT did not suggest that paying a tax refund claim that it was not obliged to pay resulted in a legal liability owed to it.
9. The legal liabilities put forward by SKAT all required proof that it had been misled into paying by the specific misstatements it alleged. That was true not only for SKAT's claims alleging deceit, or conspiracy to deceive, but also for the various other claims pursued by SKAT, for example unjust enrichment claims, breach of trust claims and a negligent misstatement claim. SKAT therefore failed to establish any of the claims it pursued at trial, where liability was disputed.
10. Against one trial defendant, Syntax GIS Ltd, SKAT was entitled to treat a default judgment as establishing liability on at least some of the claims pleaded, so that there was no liability decision to be made and the court's only task was to fix the amount to be awarded to SKAT¹. The judgment finds that on the tax refund claims in relation to which SKAT sought a financial remedy against Syntax under the default judgment, SKAT paid c.DKK2.76 billion². SKAT has made some substantial recoveries, reducing its final losses. After giving credit for an appropriate portion of those recoveries, the court assesses that the money judgment against Syntax should be for a principal sum of c.DKK2.45 billion³.

¹ Under procedural rules in English court proceedings, for some types of claim, if a defendant fails to respond when served with the proceedings, judgment in default can be entered against them. A default judgment entered in that way does not amount to or involve any decision by the court on the merits of the claimant's claims against that defendant.

² The exact figure is DKK2,763,859,045.79.

³ The exact figure is DKK2,446,860,246.84.