محكمة قطر الدولية
ومركز تسوية المنازعات
QATAR INTERNATIONAL COURT
AND DISPUTE RESOLUTION CENTRE

In the name of His Highness Sheikh Tamim bin Hamad Al Thani,

Emir of the State of Qatar

Neutral Citation: [2026] QIC (F) 77

IN THE QATAR FINANCIAL CENTRE

CIVIL AND COMMERCIAL COURT

FIRST INSTANCE CIRCUIT

Date: 12 November 2026

CASE NO: CTFIC0064/2025

J

Claimant

v

K

Defendant

JUDGMENT

Before:

Justice Fritz Brand

Justice Helen Mountfield KC

Justice James Allsop AC

This judgment was issued to the parties on 12 November 2026. This copy has been anonymised by the Court for publication.

Order

1. The Defendant is directed to amend its register of members, provided for in article 19(6) of the QFC Companies Regulations 2005, to reflect:

    i. L as the holder of 5,450,000,000; and

    ii. N as the holder of 250,000,000 shares in the Defendant.

2. The QFC Companies Registrations office is directed to amend the QFC Public Register for the Defendant so as to reflect the shareholding in the Defendant in accordance with paragraph 1, above.

3. In the context of the present litigation, there is no reason to remove the reference to Mr M as the second director of the Defendant from the QFC Public Register.

4. The application by N for joinder is refused.

5. No order is made with regard to the costs incurred in these proceedings.

Judgment

Background

1. On 19 October 2026, the QFC Companies Registration Office ('**CRO**') sought guidance from this Court regarding the events following upon the Order in the matter between the parties in *J v K* [2026] QIC (F) 67 on 4 October 2026 (the '**4 October Order**'). The nature of the guidance sought will be better understood in the light of the background that follows.

2. On 17 March 2025, a Russian corporate entity, L, then the sole shareholder of the Defendant, sold its entire shareholding to its wholly owned subsidiary, N. At the time the issued share capital in the Defendant was $5.45bn out of an authorised share capital of $10bn.

3. On 14 April 2025, the share transfer was reflected by way an amendment to the Public

Register of the CRO. On 18 November 2025, the Claimant commenced proceedings in this Court seeking, *inter alia*, the setting aside of the share transfer under article 133 read with 132 of the QFC Companies Regulations 2005 (the '**Regulations**') and the concomitant rectification of the Public Register on the basis that it was obtained through misrepresentation. After a trial on 19 and 20 August 2026, this Court granted the 4 October Order in the following terms:

1. *It is declared that the application to approve the transfer of shares in K from L to N contained a material misrepresentation contrary to article 132(1) of the QFC Companies Regulations 2005.*

2. *The approval of the transfer of shares in K from L to N by the QFC Companies Registration Office is accordingly null and void and is set aside.*

3. *The QFC Companies Registration Office is directed to amend the QFC Public Register and to restore it to the position before the amendment of 14 April 2025, such that L is recorded as the sole shareholder of K.*

4. *The purported transfer of the shares in K by L to N is declared null and void and thereby set aside.*

5. *The injunction granted on 29 March 2026 is extended until further order, so that the position is preserved pending the consequential steps necessary to give effect to the Court's judgment, with liberty to either party to apply as to the terms of any continuing relief.*

6. *K is directed to pay the costs incurred by J in these proceedings. The quantum of such costs is to be determined by the Registrar if not agreed.*

4. After the 4 October Order was granted, it became known, however, that two events had occurred in the interim. These were:

   i. On 22 May 2025, 250,000,000 shares in the Defendant were allocated to N who was registered as the sole shareholder at the time. Accordingly, the issued shareholding was increased from 5.45bn to 5.7bn. When the CRO gave effect to paragraph 3 of the Order, it caused the Public Register to reflect N as the holder of 5.7 billion shares in the Defendant.

   ii. On 17 September 2026, Mr M was appointed as the second director of the Defendant, together with Mr K, previously the sole director of the Defendant. At present, Mr M is reflected in the QFC Public Register as the second director

of the Defendant.

5. In this light, the question raised with the Court by the CRO, for guidance is this: since the two events occurred when N was in fact the sole shareholder of the Defendant by virtue of the share transfer in March 2026; and since that transfer had been set aside by the 4 October Order with retrospective effect ex tunc, that is as being void from the start: what is the impact of the 4 October Order on the validity of these two events that occurred in the interim, and how should they be reflected in the QFC Public Register?

6. When the question was communicated to the Court by the CRO, it was referred for comment by the Registrar to both parties. In response, they filed written submissions on 27 October 2026, both prepared by senior and junior counsel, which we found of great assistance and deserving of the Court's appreciation. Having regard to these submissions, we have arrived at the following conclusions.

Allocation of shares

7. In its submissions, the Claimant ('**J**') raises the concern that the allotment of 250,000,000 shares remained undisclosed by the Defendant despite the fact that it was alleged in J's Statement of Claim in November 2025 that the issued shareholding of the Company was 5.45bn, which allegation was expressly admitted in the Defendant's Statement of Defence, while the Defendant knew that at that stage its issued share capital was in fact 5.7bn. While we share the Claimant's concern about this unexplained non-disclosure, it does not contribute to the solution of the questions raised by the CRO. The fact is that at present the QFC Public Register reflects L as the shareholder of 5.7bn shares while 250,000,000 of these shares were not covered by the 4 October Order. This is so because the Order only pertains to the share transfer by L to N in March 2025, prior to the issue of the additional the 250,000,000 shares in May 2025.

8. We believe the answer lies in article 21 of the Regulations which provides in relevant part:

> *Subject to any limitations or provisions to the contrary in its Articles of Association, the unissued shares of an LLC shall be at the disposal of the directors of the LLC who may, subject to any rights previously conferred on the holders of any existing shares or class of shares, offer, allot, grant options over*

or otherwise dispose of such shares to such persons at such time and upon such terms as the directors of the LLC may determine.

9. These provisions are to be contrasted with article 28 of the Regulations which requires a shareholder resolution to increase the share capital of a company by the issue of new shares. Article 21, on the other hand, deals with the allotment of unissued shares. Since it is common ground that the authorised share capital of the Defendant is 10 billion, article 21 plainly finds application.

10. A written resolution dated 22 May 2025 and signed by Mr K as sole director of the company, reflects the following:

> *I, the undersigned in my capacity as the sole director of* [K] *(the "Company") ...*
>
> *WHEREAS the authorised capital of the Company is USD 10 000 000 000 (ten billion) divided into 10 billion ordinary shares of nominal value USD1 each and the issued and paid in capital of the Company is USD5 450 000 000 (five billion four hundred and fifty million) divided into 5 450 000 issued ordinary shares of nominal value USD1 each;*
>
> *WHEREAS pursuant to Article 21 of the Companies Regulations 2005 and the Articles of Association of the Company, the unissued shares of the Company shall be at the disposal of the directors of the Company who may subject to any rights previously conferred on the holders of any existing shares or class of shares, allot, offer, grant options over or otherwise dispose of such shares to such persons at such times and upon such terms as the directors of the Company may determine.*
>
> *herewith RESOLVE after due and careful consideration,*
>
> 1. *That the issued capital of the Company of USD5 450 000 000 ...be increased to USD5 700 000 000 (five billion seven hundred million) by issue and allotment of 250 million ordinary shares of nominal value USD1 each ("the additional shares").*
>
> 2. *That the additional shares be issued and allotted to the sole shareholder of the Company being* [N] *...*
>
> 3. *That in consideration for the issue and allotment of additional shares to the sole shareholder of the Company, the sole shareholder will pay the total amount of USD250 million. The obligation of the sole shareholder to pay the total amount shall be considered fulfilled in full by way of wired transfer ... to the account of the Company.*



4. *That the following share certificate be and is hereby cancelled and withdrawn: share certificate no 3 for 5,45billion ordinary shares of nominal value USD each in the name of* [N].

5. *That the Company authorises the issue of the following share certificate:- share certificate no 4 for 5.7 billion ordinary shares of nominal value USD1 each in the name of* [N]. …

11. It is not in dispute that Mr K was the sole director of the Defendant at all relevant times, that is, before and after the share transfer by L to N in March 2025. Hence, that appointment was not affected by either the transfer of the shares from L to N, or by the setting aside of that transfer pursuant to the 4 October Order. In any event, if there could be any doubt about the validity of Mr K's appointment (which there is not), the position would be governed by article 59 of the Regulations which provides that "*the acts of a Director are valid notwithstanding any defect that may afterwards be found in his appointment or qualification.*"

12. An argument raised by J is that, according to the resolution, the 250,000,000 shares were allocated to N as the "*sole shareholder*". Since the retrospective effect of the 4 October Order is that N was not the sole shareholder, so the argument went, the allocation suffers the same fate, i.e. that it became invalid with retrospective effect. Alternatively, so J submitted, the 250,000,000 belong to L as the only entity which could, with retrospective effect, be described as the sole shareholder of the Defendant. Accordingly, so the argument concludes, the 250,000,000 shares should either be regarded as non-existent, or the 5.7 billion shares should be registered in the name of L.

13. But we do not think this argument can be sustained. We see no reason why the reference to N as "*the sole shareholder*" in the Resolution should not be regarded as no more than descriptive of N's status as it then was. Conversely stated, we find no reason to think that the description of N as the sole shareholder rendered its status of sole shareholder a precondition of the allotment. Thus understood, it does not affect the validity of the allotment. Nor does it alter the identity of the intended allotee. Hence we find that the 250,000,000 were validly allotted to N on 22 May 2025 and the 4 October Order does not detract from its validity.

14. Accordingly, we find that the Defendant's register of members and the QFC Public Register, as amended pursuant to paragraph 3 of the 4 October Order, are to be amended

so as to reflect:

i. L as the holder of 5.45 billion shares, and

ii. N as the holder of 250,000,000 shares, in the Defendant.

The appointment of Mr M

15. In contrast to the allocation of shares, the decision of 17 September 2026 to appoint Mr M as second director of the Defendant was indeed taken by N qua sole shareholder. So, the question pertinently arises as to the import of the retrospective effect of the 4 October Order on the appointment of the second director.

16. The Defendant contends that we should direct the CRO to recognise the appointment on two bases:

    i. First, on the basis that the effect of the 4 October 2026 Order was not to retrospectively invalidate all steps taken by N as shareholder at the time when its shareholding was recorded in the QFC Public Register.

    ii. Second, on the basis that L had ratified the appointment after its reinstatement as the sole shareholder with the result that it has shareholder approval irrespective of whether N or L or both of them are to be regarded as having been the shareholder on 17 September 2026.

17. For its second basis, the contention relies on a formal resolution taken by L on 26 October 2026, which purported to ratify the appointment of Mr M as an additional director with effect from 17 September 2026. The counter argument by the Claimant is, rather unsurprisingly, that because the share transfer had been set aside retrospectively, the appointment must follow the same fate, which means that N was not a shareholder of the Defendant at the time.

18. The questions thus arising are not easy. But we do not think they need to be answered in this case. We say that for two reasons. First, there is no substantive application by the Claimant or anyone else to set aside the appointment of Mr M as director. Second, there is no direct link between the 4 October Order and the appointment of Mr M as director, in the sense that the one has any impact on the other. Somewhat differently stated, there

is no reason why, for purposes of the present litigation, they cannot exist in harmony with each other. This means that, we find no reason why, for present purposes, the reference of Mr M as second director of the Defendant should be removed from the QFC Public Register.

Joinder

19. We add as a footnote to this judgment that on 26 October 2026 we received an application by N to be joined to these proceedings for the purposes of making submissions on relief. We have read N's submissions on the issues which they wished to raise *de bene esse* (that is, for what it is worth, before determining whether they had the right to be heard), and we have considered the Claimant's objections. In particular the Claimant points out that N must have been aware of the first instance proceedings but never made any application to join these proceedings before they were determined. We have concluded that it is not open to us to entertain the application for post-judgment joinder because the Court's proceedings were complete by the time it was made and we were therefore *functus officio*. While paragraph 4 of the 4 October Order made reference to liberty to apply, that was plainly a liberty to the parties before the Court and not liberty to third parties to apply to be joined after judgment was handed down.

By the Court,



[signed]

QFC Court

A signed copy of this Judgment has been filed with the Registry.

Representation

The Claimant was represented by Mr Thomas Williams KC of Selborne Chambers (London, United Kingdom), and by Mr Ahmed Durrani, Mr Umang Singh, and Mr Masham Sheraz of Sultan Al-Abdulla & Partners (Doha, Qatar).

The Defendant was represented by James Collins KC of Essex Court Chambers (London, United Kingdom), and Paul Fisher of New Square Chambers (London, United Kingdom), instructed by Omani & Partners LLP (Doha, Qatar).

DIGITALLY SIGNED AND VERIFIED
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