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PRESS RELEASE
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Kingstown claim against CPI Property Group dismissed in Luxembourg

CPI Property Group (the “**Company**” or “**CPIPG**”) announces that a judgment was received from the Luxembourg district court on 21 June 2019 which declared that a claim originally filed by Kingstown in 2015 was null and void against CPIPG.

“This judgment reflects the total lack of substance in Kingstown’s case against CPIPG in Luxembourg,” said Martin Nemecek, CEO of CPI Property Group.

The first instance decision was rendered by the *Tribunal d’Arrondissement de et à Luxembourg* (the “**Court**”) in relation to the 2015 lawsuit of Kingstown Partners Master Ltd., Kingstown Partners II, LP and Ktown LP (together referred to as “**Kingstown**”), seeking the condemnation of CPIPG, together with CPI FIM SA (“**CPI FIM**,” previously ORCO Property Group) and certain members of CPI FIM’s board of directors. Kingstown requested that CPIPG, CPI FIM and certain board members of CPI FIM pay damages in the amount of EUR 14.5 million and compensation for moral damages in the amount of EUR 5 million. According to Kingstown, the damages arose because of an alleged violation of CPI FIM’s minority shareholders’ rights. In October 2018, Kingstown’s legal advisers filed an additional submission to increase the amount of the alleged damages to EUR 157 million.

The Court dismissed the claim against CPIPG because the claim was not clearly pleaded (“*libellé obscur*”). Specifically, Kingstown did not substantiate or explain the basis of their claim against CPIPG and failed to demonstrate how CPIPG committed any fault.

In relation to the admissibility of Kingstown’s claim against CPI FIM and other defendants, the Court is expected to rule only after it further examines positions of the remaining parties on certain procedural aspects; until then, the case will continue in a procedural stage. The merits of the case will be pleaded by any remaining defendants only if the Court declares the claim admissible.

For more on CPI PROPERTYGROUP, visit our website: www.cpipg.com



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