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PRESS RELEASE
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CPI PROPERTY GROUP – New York Litigation Update

CPI PROPERTY GROUP (“**CPIPG**” or the “**Group**”) has prepared an update for our stakeholders regarding litigation proceedings in New York.

The litigation proceedings concern a group of Kingstown companies, Investhold LTD and Verali Limited (the “**Kingstown Plaintiffs**”) who in April 2019 filed a claim in the Southern District of New York (the “**SDNY Court**”) against CPIPG and Mr. Radovan Vitek (the “**CPIPG Defendants**”) and other parties alleging violations of the Racketeer Influenced and Corrupt Organizations Act (“**RICO**”) in the United States.

On 4 September 2020, the SDNY Court dismissed the claim against all defendants and directed the clerk of court to close the case. The SDNY Court’s decision questioned the legitimacy of New York as venue for a lawsuit with “tenuous” links to the United States, and considered that a prior suit by the Kingstown Plaintiffs has been pending in Luxembourg since 2015.

On 18 September 2020, CPIPG filed a motion to dismiss a defamation complaint that was brought by Kingstown on 3 June 2020 in New York State court. CPIPG categorically denies all allegations and believes the argument for dismissal is extremely strong.

On 2 October 2020, the Kingstown Plaintiffs filed a notice of their intention to appeal the SDNY Court ruling to the United States Court of Appeals for the Second Circuit. The briefing schedule and timetable for the case has not been set.

“CPIPG is extremely confident in our legal position and will continue to mount a vigorous defence,” said Martin Nemecek, CEO. “The Group’s operations and market-leading reputation are not impacted by baseless claims and accusations.”

CPIPG will continue to keep our stakeholders updated on further developments.

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



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