



### **Via Solferino Property. Final award.**

**Milan, 14 May 2021** - With reference to the litigation concerning the transaction that in 2013 led to the sale and simultaneous lease of the property at Via Solferino/Via San Marco/Via Balzan (the “**Property**”), the Milan Arbitration Chamber has today informed the parties about the final Award ending such litigation.

After the partial award had unanimously declared the Arbitral Tribunal’s competence to decide the parties’ claims, the final Award, rendered upon the agreement of two arbitrators only and the structured and reasoned dissenting opinion of the third, decided to reject RCS’ claims for compensation as well as Kryalos’ one.

In particular:

- according to the expert witness, in 2013 the Property had a much higher value, for at least € 33 million, i.e. € 153 million, compared to the purchase price, although the award does not consider such disproportion material enough
- the Award, while acknowledging that the economic and financial condition of RCS at the time of the sale affected its choices, concluded that, despite a context not lacking ambiguities and uncertainties, it did not find sufficient elements to affirm with certainty the existence of the elements required by Article 644, par. 3, c.p.. Among others, it states that the difficulty prescribed by such rule would require a significant impairment of its contractual capacity (a prong that indeed is not required by such rule)
- in any case, the Award ordered each party to bear its own litigation’s costs, excluding that RCS acted recklessly or even unfairly.

The Company, without prejudice to its disagreement with the decision of the two arbitrators and reserving all rights, highlights that also the reasoning of the decision does not show any unfairness or bad faith by RCS, which instead acted to duly protect the company’s assets, harmed by the material difference of the value at which the Property had been sold in 2013.

The final Award, confirming that RCS did not act unfairly or recklessly, strengthens, as the partial one of last year, the position of the Company before the Supreme Court of the State of New York (where the proceedings started by the counterparties are stayed).