PRESS RELEASE

KAPPA FUND, MALTA COURT ORDERS COUNTERPARTIES TO PAY €24.1 MILLION IN COMPENSATION TO THE IOR

COURT CONFIRMS DAMAGE SUFFERED BY THE IOR AND REJECTS ALL CLAIMS BROUGHT BY THE COUNTERPARTIES

Vatican City, November 6, 2026 – In the proceedings before the First Hall of the Civil Court of the Republic of Malta between the Istituto per le Opere di Religione (IOR) and Optimum Evolution Fund SIF, Optimum Asset Management S.A., Futura Investment Management Limited and Futura Funds SICAV plc., the IOR announces that the Court has delivered a first-instance judgment in its favour.

Following lengthy proceedings that began in 2017, a court has for the first time ruled on the merits of the case, upholding the Institute's position in full and rejecting all the opposing parties' arguments.

The Court found that the four defendant companies had breached their fiduciary obligations to the IOR under Article 1124A of the Maltese Civil Code. The Court found that the Institute had suffered loss and ordered the four companies, jointly and severally, to pay the IOR €24.1 million, plus interest at a rate of 8% from the date of the judgment until payment in full.

The breach of fiduciary obligations concerned the management of the investment in the Kappa Fund and the transactions carried out in connection with the Exchange Palace real estate project in Budapest. The Court found that structuring the real estate transaction through an interposed entity, Cougar, resulted in an unjustified transfer of value to the detriment of the IOR.

The Court also found that the IOR had not breached any obligation to the Kappa Fund. It held that the Institute was under no obligation to contribute further capital in light of the opposing parties' prior breaches of their fiduciary obligations.

Finally, the Court dismissed in full the claims brought against the IOR by the four companies.

Today's judgment clarifies the facts, confirms that the Institute acted properly and refutes the arguments put forward by the opposing parties. It also provides findings relevant to proceedings still pending in other jurisdictions. The Institute reiterates its full confidence in the judiciary and will continue to assert its rights before all competent forums.

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The Istituto per le Opere di Religione (IOR) offers its clients payment and investment services, managing the assets entrusted to it in accordance with the Social Doctrine of the Catholic Church and the highest international standards.
As the only institution authorized to conduct professional financial activities in the Vatican City State, the IOR serves over 12,000 clients who belong to the Catholic Church or work in its service, in more than 110 countries around the world. Adopting a management model developed in-house over time, the IOR operates in the financial markets through an active investment process, combining careful selection of investable assets with the clients' risk and return objectives.
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