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# TECNIMONT (MAIRE) SECURES LANDMARK VICTORY ON THE K2 PROJECT DISPUTE: THE LONDON-SEATED ARBITRAL TRIBUNAL, AS THE SOLE COMPETENT AUTHORITY, CONFIRMS EUROCHEM'S WRONGFUL CONTRACT TERMINATION AND TECNIMONT'S LAWFUL CONTRACT SUSPENSION

- **The international Arbitral Tribunal confirmed that Tecnimont and its subsidiary lawfully suspended performance of the K2 Contracts due to sanctions ensuing from Russia's invasion of Ukraine, holding that EuroChem's termination of the K2 Contracts was wrongful**
- **The Arbitral Tribunal constituted under the K2 Contracts finally confirmed that it is the sole adjudicative body with jurisdictional competence to adjudicate disputes arising out of the K2 Contracts**
- **Accordingly, the Tribunal:**
  - **Held EuroChem liable to pay approximately Euro 260 million to Tecnimont and its subsidiary for the wrongful termination of the K2 Contracts; those amounts are related to costs already incurred by Tecnimont and its subsidiary for the execution of the K2 Project;**
  - **Dismissed all of EuroChem's counterclaims against Tecnimont and its subsidiary for indirect and consequential damages**
- **The arbitration will now enter into Phase 2, during which the Arbitral Tribunal will have to adjudicate Tecnimont's and any of its subsidiaries' requests for i) a permanent injunction against EuroChem to withdraw the Russian proceedings instituted in breach of the arbitration agreements and ii) compensation for legal and all other costs and damages they have suffered as a result of those unlawful actions**
- **All the other actions filed by MAIRE and its Group entities to defend their rights against EuroChem unlawful conduct will take their courses in the appropriate jurisdictions**

*Milan, 31 August 2026* – In connection with the long-standing dispute between Tecnimont and its subsidiary and the Russian fertilizer manufacturer EuroChem (which remains owned and controlled by Russian oligarch Andrei Melnichenko) referenced in the press releases published by MAIRE on 28 November 2025 and 22 December 2025, **MAIRE** (MAIRE.MI) announces that, on 28 August 2026, the London-seated Arbitral Tribunal constituted under the K2 Contracts pursuant to the Rules of Arbitration of the International Court of Arbitration of the International Chamber of Commerce issued a Partial Final Award (the "**Phase 1 Award**") upholding the lawfulness of the suspension of the K2 Contracts entered into in 2020 between Tecnimont and its subsidiary and EuroChem for the construction of the fertilizer plant known as Kingisepp 2 ("**K2**") due to Western sanctions targeting Russia and the Russian economy following Russia's invasion of Ukraine.

With the Phase 1 Award the Arbitral Tribunal has also found that (a) EuroChem wrongfully terminated the K2 Contracts, (b) there was no legal basis for EuroChem to draw down the on demand payment bonds issued by Societe Generale and ING to secure performance of the MAIRE entities' obligations under the K2 Contracts, (c) EuroChem is liable to pay Tecnimont and its subsidiary an amount equal to approximately Euro 260 million ; those amounts are related to costs already incurred by Tecnimont and its subsidiary for the execution of the project; and (d) EuroChem is not entitled to the Euro 1.6 billion counterclaims it had asserted in the arbitration on the basis of its purported termination of the K2 Contracts for Tecnimont's and its subsidiary's alleged default.

The Phase 1 Award is final and binding upon the parties, the Arbitral Tribunal having confirmed it is the sole adjudicative body with jurisdictional competence to adjudicate disputes arising out of or in connection with the K2 Contracts.

It follows that any decision or judgment purportedly issued by the Russian or other state courts in connection with the K2 Contracts (instituted by EuroChem in bad faith) amounts to a breach of the arbitration agreement and, accordingly, may not be recognized or enforced, consistent with the 1958 New York Convention on the Recognition and Enforcement of Foreign Arbitral Awards in any of the more than 170 Contracting States, including those of the CIS (including Russia) and the BRICS countries.

The arbitration will now enter into Phase 2, during which the Arbitral Tribunal will have to adjudicate Tecnimont's and any of its subsidiaries' requests for a permanent injunction against EuroChem upholding the earlier interim injunctions by which the Arbitral Tribunal had ordered EuroChem to withdraw the Russian proceedings instituted in breach of the arbitration agreements. In Phase 2, the Arbitral Tribunal will also have to adjudicate Tecnimont's and any of its subsidiaries' claims for legal and all other costs and damages they have suffered as a result of those unlawful actions. A decision in Phase 2 is expected in the first half of 2027.

MAIRE and its Group entities will continue to defend, vindicate and pursue their rights and those of their management against EuroChem, in accordance with the fundamental principles of due process and international law.

*Background: in June 2020 EuroChem had engaged Tecnimont and its subsidiary to engineer, procure, construct and commission, in Russia, the K2 fertilizer plant. The K2 Contracts entitled Tecnimont and its subsidiary to suspend performance thereunder due to sanctions. Referring to the new trade sanctions issued by the EU Council in early 2022, in May 2022, Tecnimont and its subsidiary notified EuroChem that the K2 Contracts had been suspended. Denying that EU sanctions had affected Tecnimont's and its subsidiary's ability to perform the K2 Contracts, in August 2022, EuroChem purported to terminate them for default and, on that basis, sought payment of on demand bonds issued to secure performance of Tecnimont and its subsidiary's obligations under the K2 Contracts. Shortly thereafter, Tecnimont and its subsidiary instituted the arbitration in accordance with the arbitration agreements in the K2 Contracts.*

operations in around 50 countries, MAIRE employs around 11,300 people. MAIRE is listed on the Milan Stock Exchange (ticker “MAIRE”). For further information: www.groupmaire.com.

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