

February 23rd 2021

M/s Boursa Kuwait

Disclosure of Material information

Reference to the above-mentioned subject; and in accordance with Chapter 10 of the Capital Markets Authority's bylaws of Law No. 7 of the year 2010 on Disclosure and Transparency, kindly find attached Agility's disclosure on Korek Arbitration.

Best Regards,



Tarek Abdul Aziz Sultan Al Essa
Vice Chairman and CEO



Disclosure Form of Lawsuits and Court Judgments	
Date	23 February 2021
Name of the Listed Company	Agility Public Warehousing Company KSCP (“Agility”)
Case No	Not Applicable
Case Subject	Agility filed in February 2017, a request for arbitration with the International Center for the Settlement of Investment Disputes (“ICSID”) against the Government of the Republic of Iraq. The claim filed by Agility arose from a series of actions and inactions of the Iraqi government, including its regulatory agency, the Communications & Media Commission (“CMC”) relating to an alleged decision by the CMC to annul the previous written consent granted in connection with the Group’s investment in Korek Telecom, as well as the CMC’s order to transfer the shares acquired by Agility back to the original Iraqi shareholders (which was implemented in March 2019). The claims related to Iraq’s expropriation of Agility’s investment of over USD 380 million, its failure to treat Agility fairly and equitably, and its failure to accord Agility with due process, each in breach of the bilateral investment treaty signed between Kuwait and Iraq.
Judgment Date	22 February 2021
The Court that issued the judgment	International Center for the Settlement of Investment Disputes (ICSID)
Parties of the case	Agility and the Republic of Iraq
The judgment is in favor of	In favor of the Republic of Iraq
The concluding judgment of the court of first instance	<p>The ICSID tribunal located in Washington, United States of America, dismissed all the claims and reliefs sought by Agility in the case filed against the Republic of Iraq. The tribunal also decided that Agility settles a total of USD 5,175,604.64 as professional fees and administrative costs for the arbitration.</p> <p>The decision of the ICSID tribunal is fundamentally flawed for many reasons, among other things, (i) the tribunal refused to address the merits of the regulatory decision itself as issued by the CMC expropriating Agility’s investment in the Iraqi telecom sector, claiming lack of jurisdiction, (ii) it also failed to consider or investigate incontrovertible documentary</p>

	<p>evidence confirming the corruption and payment of bribes by Sirwan Barzani to the senior-most commissioners of the CMC: Mr. Ali Al-Khuwaildi, and Dr. Safa Al Rabiee despite the corruption being reported widely in the press, including The Financial Times but was not investigated by the ICSID tribunal, (ii) the tribunal was minded to agree with the Republic of Iraq on factual matters, despite the fact that the Republic of Iraq provided no fact witnesses and virtually no documentary evidence, (iv) the tribunal summarily denied Agility's requests for protection of the identity of its Iraqi witnesses even in circumstances where Agility's employees were arbitrarily detained, interrogated and threatened by Iraq's secret police in December 2019 and (v) failed to address critical arguments and failed to provide reasons for all of the decisions it made.</p> <p>In short, as a result of this deeply flawed decision, Iraq has not been sanctioned for its bald expropriation of Agility and Orange investment of over \$800 million.</p> <p>Agility is currently considering its options to apply for annulment of the decision.</p> <p>Agility is also moving expeditiously to pursue claims of more than \$700 million directly against Korek, Sirwan Barzani and others, pursuant to a separate arbitration being conducted pursuant to International Chamber of Commerce rules.</p>
The concluding judgment of the court of appeal	Not applicable
The concluding judgment of the court of cassation	Not applicable
The potential effect of the judgment on the company	<p>The exact financial impact cannot be determined at this point of time as the company is assessing with its legal team the probability and the recoverability of the investment. While the carrying value of Korek's investment in the books of company is KD 145 million, the company is unable to determinate the amount of any provisions until the conclusion of all final claims, including, without limitation, the pending claims against Korek and Sirwan Barzani for amounts of no less than KD 210 million.</p>

Best Regards,



Tarek Abdul Aziz Sultan Al Essa
Vice Chairman and CEO

