

September 26th, 2021

Mr. Hassan Abdulrahman Al Serkal
Chief Executive Officer
Dubai Financial Market
Dubai, UAE

Arbitration proceedings against IBL Bank SAL, Korek Telecom and International Holdings Ltd.

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 Agility would like to announce:

Date	26/9/2021
Company Name	Agility Public Warehousing Company KSCP "Agility"
Case Number	Case No. 175/2018
Case Subject	Iraq Telecom Limited (United Arab Emirates) ("IT Ltd"), Agility's subsidiary, acted as claimant in the dispute in relation to alleged fraud orchestrated by certain Korek Telecom stakeholders with the knowledge and cooperation of IBL Bank in connection with a subordination agreement relating to a USD 150 million loan extended by IBL Bank to Korek Telecom. The claim mainly sought the announcement as null and void the subordination agreement.
Date of the decision	24 September 2021
Court Decision	Lebanese Arbitration Center of the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon
Parties involved	• Iraq Telecom Limited (United Arab Emirates)- Claimant • Intercontinental Bank of Lebanon (IBL) S.A.L. (Lebanon) - Respondent • Korek Telecom Company L.L.C. (Iraq) – Respondent • International Holdings Limited (United Arab Emirates) ("IH") - Respondent
Decision in favor of	The award grants in full IT Ltd.'s claim to render as null and void the subordination agreement relating to the USD 150 million loan extended by IBL Bank to Korek Telecom. The Tribunal agreed with IT Ltd. that all of the respondents (Korek Telecom, IH Ltd and IBL Bank), had engaged in a deliberate and intentional deception of IT Ltd. The deception was done with the purpose of inducing IT Ltd. to enter into the subordination agreement without knowledge of the fact that IBL Bank was acting not as a true lender, but merely as a front for Mr. Sirwan Barzani. The counterclaims of the respondents were rejected in their entirety. In addition to the avoidance of the subordination agreement IT Ltd. was awarded legal costs in the amount of US 2.5 million. As a result of this award, IT Ltd. will now seek to enforce its debt claim in the principal amount of USD 285 million, as well as accrued interest, against IH, as debtor, and Korek Telecom, as guarantor. Furthermore, IT Ltd. will reserve its right to claim for damages against all respondents, including IBL Bank, on the basis of their participation in the deception of IT Ltd.
First Instance court decision	NA – It is a final arbitral award pronounced by Lebanese Arbitration Center of the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon
Appeal court decision	NA
Cassation Court Decision	NA
Financial Impact	No financial impact at the moment

Best Regards,

Tarek Abdul Aziz Sultan Al Essa
Vice Chairman and CEO

