

TRANSLATION

Date: 04 October 2020
REF: CCG/83/2020

**Sirs, Boursa Kuwait
Sirs, Capital Market Authority**

Greetings,

According to chapter four (Disclosure of Material Information) of rulebook ten (Disclosure and Transparency) of the executive bylaws of law 7/2010 and its amendments, and based on the court of cassation ruling issued on 19/8/2020 regarding the ratification on the amendments of Aayan Leasing & Investment Company's payment plan for its liabilities, we would like to inform you with the following:

- The debt to asset swap between our Bank and Aayan Company has been signed to settle the outstanding loan of approximately KD 17.9 million (after application of haircut) as follow:
 1. Aayan Company has already paid a cash of approximately KD 3.2 million to our Bank in September 2020, and the impact of this will be reflected in 3rd quarter 2020 Financial Statements.
 2. Aayan Company is transferring approximately 16.16% shares of their ownership in one of the unlisted companies to our Bank, these shares will be classified as financial assets according to IFRS 9, and the impact will be included in 4th quarter 2020 Financial Statements after ascertaining the value for initial recognition of these shares.

Please note Financial Statements of the Bank are only released after auditors review and Central bank approval.

Best regards,


Elham Y. Mahfouz
Chief Executive Officer



NOTE: This is a translation of the original for and binding Arabic text. In case of any difference between the Arabic and the English text, the Arabic text will be prevailing.

Annex (11)**Disclosure of Material Information Form**

Date	04 October 2020
Name of the Listed Company	Commercial Bank of Kuwait (K.P.S.C)
Material Information	<p>Based on the court of cassation ruling issued on 19/8/2020 regarding the ratification on the amendments of Aayan Leasing & Investment Company's payment plan for its liabilities, we would like to inform you with the following:</p> <p>The debt to asset swap between our Bank and Aayan Company has been signed to settle the outstanding loan of approximately KD 17.9 million (after application of haircut).</p>
Significant Effect of the material information on the financial position of the company	<ol style="list-style-type: none">1. Aayan Company has already paid a cash of approximately KD 3.2 million to our Bank in September 2020, and the impact of this will be reflected in 3rd quarter 2020 Financial Statements.2. Aayan Company is transferring approximately 16.16% shares of their ownership in one of the unlisted companies to our Bank, these shares will be classified as financial assets according to IFRS 9, and the impact will be included in 4th quarter 2020 Financial Statements after ascertaining the value for initial recognition of these shares. <p>Please note Financial Statements of the Bank are only released after auditors review and Central bank approval.</p>

Significant Effect on the financial position shall be mentioned if the material information can measure that effect, excluding the financial effect resulting from tenders or similar contracts.

If a Listed Company, which is a member of a Group, disclosed some material information related to it and has Significant Effect on other listed companies' which are members of the same Group, the other companies' disclosure obligations are limited to disclosing the information and the financial effect occurring to that company itself.

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