

**EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

**30 November 2012**

**FORM OF PARTICIPATION AND PROXY**

**Shareholder identification:**

The undersigned:

Name .....

Title .....

Company .....

Address .....

Confirms that ..... (the “**Shareholder**”), as a holder of .....(number) ordinary bearer shares in Kernel Holding S.A. with its corporate seat in Luxembourg (the “**Company**”), intends to participate in the **Extraordinary General Meeting of the Company’s Shareholders** to be held on 30 November 2012 in Luxembourg at 65, boulevard Grand-Duchesse Charlotte, L-1331 Luxembourg at 4.00 p.m. CET.

**Participation options:**

I will attend the Extraordinary General Meeting of Shareholders in person	
I will not attend the Extraordinary General Meeting of Shareholders. I irrevocably give power to the proxy indicated below to vote in my name and as he deems fit on all resolutions of the agenda.	
I will not attend the Extraordinary General Meeting of Shareholders. I irrevocably instruct the proxy indicated below to vote as indicated under “Proxy voting instructions” below.	

*Please indicate your choice by putting a cross (“X”) in the relevant box.*

**Extraordinary General Meeting participation by proxy** (to be completed only in case of participation by proxy):

The Shareholder hereby authorizes the chairman of the meeting to represent the Shareholder at the Extraordinary General Meeting of Shareholders of Kernel Holding S.A. to be held on 30 November 2012 in Luxembourg at 65, boulevard Grand-Duchesse Charlotte, L-1331 Luxembourg, to attend and address the Extraordinary General Meeting, to sign the register of attendance and to vote on behalf of the Shareholder.

**Proxy voting instructions** (to be completed only in case of participation by proxy):

Extraordinary General Meeting of Shareholders of Kernel Holding S.A. (referred to as the “Company” or the “Parent Company” as the case may be) to be held on 30 November 2012 at 4.00 p.m. local time in Luxembourg at 65, boulevard Grand-Duchesse Charlotte, L-1331 Luxembourg

Resolution No		For	Against	Abstention
1	<p>The general meeting acknowledges the report of the board of directors of the Company with respect to the creation of the authorized capital and resolves to authorise again the board of directors of the Company to issue, from time to time, as specified below, up to three million two hundred seven thousand eight hundred two (3,207,802) new shares without indication of a nominal value, hence creating an authorised share capital, excluded the current issued share capital, of eighty four thousand seven hundred five US Dollar and sixty nine cents (USD 84,705.69) in accordance with the provisions of article 32 of the law of 10 August 1915 regarding commercial companies, as amended.</p> <p>This authorisation shall be limited to a period to expire right after the closing of any public offering of the shares of the Company, and in any case no later than a term of five (5) years from the date of the publication of the present authorisation in the Luxembourg official gazette (<i>Mémorial C, Recueil des Sociétés et Associations</i>).</p> <p>Upon presentation of the justifying report of the Board of Directors, pursuant to article 32-3 (5) of the law of August 10, 1915 on commercial companies, the general meeting further resolves that the board of directors is authorised to issue such new shares without reserving to the existing shareholders any preferential subscription rights.</p>			

2	<p>The general meeting of shareholders resolves to amend Article 5 of the articles of incorporation of the Company which shall henceforth read as follows:</p> <p><i>“ARTICLE 5.- The share capital of the Company is set at two million one hundred four thousand one hundred twenty US Dollars and eleven cents (USD 2,104,120.11) divided into seventy nine million six hundred eighty three thousand four hundred and ten (79,683,410) shares without indication of a nominal value.</i></p> <p><i>The shares of the company may be created at the owner’s option in certificates representing single shares or in certificates representing two or more shares.</i></p> <p><i>The shares shall be in a bearer or in a registered form.</i></p> <p><i>The corporation may, to the extent and under the terms permitted by law, purchase its own shares.</i></p> <p><i>The corporate capital may be increased or reduced in compliance with the legal requirements.</i></p> <p><i>The authorised share capital, the current issued share capital excluded, is fixed at eighty four thousand seven hundred five US Dollar and sixty nine cent (USD 84,705.69) represented by three million two hundred seven thousand eight hundred two (3,207,802) shares without nominal value.</i></p> <p><i>During a period to expire right after the closing of any public offering of the shares of the Company, and in any case no later than a term of five (5) years from the date of publication of the present deed in the Memorial C, Recueil des Sociétés et Associations, the board of directors will be and is hereby authorised to issue shares with or without share premium and to grant options to subscribe for shares within the limit of the authorised share capital, to such persons and on such terms as it shall see fit, and specifically to proceed to such issue by suppressing or limiting the existing shareholder’s/shareholders’ preferential right to subscribe for the new Shares to be issued.”</i></p>			
3	<p>The General Meeting resolves to amend Article 9 of the Articles of Association of the Company and to introduce a new title VI “Corporate Governance” which shall henceforth read as follows:</p> <p><i>“ARTICLE 9.- The board of directors is vested with the broadest powers to perform all</i></p>			

*acts of administration and disposition in compliance with the corporate object.*

*All powers not expressly reserved by law or by the present articles of association to the general meeting of shareholders fall within the competence of the board of directors. In particular, the board of directors shall:*

*- prepare once a year and present to the annual general meeting of shareholders an annual report on the corporate situation;*

*- prepare once a year and present to the annual general meeting of shareholders an annual report on the evaluation of its operation after the examination of its composition, its organization and its effectiveness as a collective body;*

*- review and opine on matters to be resolved by the general meeting of shareholders;*

*- review of the supervision of internal controls and the audit function.*

*The board of directors may pay interim dividends, in compliance with the legal requirements.*

*Prior to release of financial statements of the Company, the board of directors shall convene to review the results, including issues relating to the general policy and strategy of the Company.*

*Notwithstanding any contrary provision, any material agreement between the Company and its related party must be approved in advance by the board of directors, with at least one independent director voting in favour of such resolution. Typical transactions made in the ordinary course of business on arms-length basis with entities majority owned by the corporation or other parties do not need to be approved by the board of directors.*

*In the case of a conflict of interest of any director, it being understood that the mere fact that the director serves as an officer or a member of governing bodies of a shareholder or of an affiliated corporation of a shareholder shall not constitute a conflict of interest, he must inform the board of directors of any such existing or potential conflict and may not take part in the vote but will be counted in the quorum. A director having a conflict on any item on the agenda must declare this conflict to the chairman before the meeting starts.*

*Any director having a conflict due to a*

*personal interest in a transaction submitted for approval to the board of directors conflicting with that of the Company, shall be obliged to inform the board of directors thereof and to cause a record of his statement to be included in the minutes of the meeting. He may not take part in the business of the meeting, but will be counted in the quorum. At the following general meeting of shareholders, before any other resolution to be voted on, a special report shall be made on any transactions in which any of the directors may have a personal interest conflicting with that of the Company.”*

**“TITLE VI. –CORPORATE GOVERNANCE**  
**ARTICLE 15.- 15.1** *In accordance with Annex II of the European Commission*

*Recommendation of 15 February 2005 to assess the independence of a director the Company, independent directors shall fulfill the following criteria:*

- *are not an executive director (or manager) of the Company or an associated company, and have not been in such a position over the past five years;*
- *are not employees of the Company or an associated company, and have not been in such a position during the past three years;*
- *do not receive, and have not received, significant additional remuneration from the Company or an associated company apart from a fee received as an independent director;*
- *are not and do not represent in any way a strategic shareholder with a 10% or greater holding;*
- *do not have, and have not had within the last financial year, a significant business relationship with the Company or an associated company, either directly or as a partner, shareholder, director or senior employee of a body having such a relationship;*
- *are not, and have not been during the last three years, a partner or employee of the present or former external auditor of the Company or an associated company;*
- *are not executive directors (or managers) at another company in which an executive director (or manager) of*

	<p><i>the Company is an independent director, and do not have other significant links with executive directors (or managers) of the Company due to positions held at other companies or bodies;</i></p> <ul style="list-style-type: none"> <li>- <i>have not served on the board of directors or supervisory board as independent (or supervisory) directors for more than 12 years; and</i></li> <li>- <i>are not close family members of an executive director or manager.</i></li> </ul> <p><i>15.2 The Company shall adapt a set of rules relating to the behavior and notification obligations in relation to transactions in the Company's shares or other financial instruments carried out for own account by a broader range of persons, including directors, persons bearing executive responsibilities and persons with a close link to them, as well as all other persons bound by these obligations. Until such rules are issued all executive directors which serve as a members of the board of directors and independent directors are subject to Luxembourg Stock Exchange and Warsaw Stock Exchange regulations on the insider dealing, as amended from time to time.</i></p> <p><i>15.3 The board of directors can establish a separate Audit Committee. The Audit Committee shall be composed of at least three independent directors with at least one with an audit background.</i></p> <p><i>The powers of the Audit Committee shall include:</i></p> <ul style="list-style-type: none"> <li>- <i>assistance in monitoring the reliability and integrity of the financial information provided by the Company, in particular by reviewing the relevance and consistency of the accounting standards applied by the Company, including the consolidation criteria;</i></li> <li>- <i>assistance in formulating a description of the risks specific to the Company, while respective system of risk control to monitor the latter is subsequently implemented by the executive managers of the Company with appropriate identification and disclosure to the board of directors;</i></li> <li>- <i>make recommendations regarding the internal auditor's work program, if required, in addition to receiving</i></li> </ul>			
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	<p><i>periodic summaries of its work.</i></p> <p><i>The Audit Committee may invite any other person whose collaboration it deems to be advantageous to assist it in its work and to attend its meetings, and to meet with any individual outside the presence of any executives.</i></p> <p><i>The members of the Audit Committee will elect from among its members a chairman.</i></p> <p><i>Following each meeting of the Audit Committee, the chairman is required to report to the board of directors identifying the issues in respect of which he considers that action or improvement is called and make recommendations for the necessary adjustments in its internal regulations if required.</i></p> <p><i>The Audit Committee can be required to evaluate its own effectiveness at the meeting preceding the annual general meeting of shareholders.</i></p> <p><i>The internal and external auditors have a free access to the Audit Committee and the board of directors.</i></p> <p><i>15.4 The board of directors can establish a separate Nomination and Remuneration Committee. Once per year the board of directors shall assess the need to establish the Nomination and Remuneration Committee.</i></p> <p><i>The primary function of the Nomination and Remuneration Committee is to assist the board of directors in establishing criteria and remuneration procedures for Directors, and in considering any remuneration for Directors as well as considering any candidate for appointment or reappointment to the board of directors.</i></p> <p><i>The members of the Nomination and Remuneration Committee will elect from among its members a chairman.</i></p> <p>”</p>			
4	<p>The General Meeting resolves to amend Article 14.2 of the Articles of Association of the Company, which shall henceforth read as follows:</p> <p><i>“14.2 The annual meeting will be held in Luxembourg at the place specified in the convening notice on the 10<sup>th</sup> of December at 3.00 p.m..”</i></p>			
5	<p>The General Meeting resolves to proceed to a</p>			

	renumbering of the articles and of the cross references within the articles of association of the Company further to the insertion of a new title VI "Corporate Governance" of the articles of association.			
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Please indicate your choice by putting a cross ("X") in the relevant box

#### Attachments:

1. Registered depository certificate (original or copy) issued by the custodian bank or investment firm operating the shareholder's investment account on which the Shareholder's shares held in the Company are registered (if not already deposited with the Company) (to the extent applicable), and
2. Documents (original or copy) evidencing the rights of representation of individual(s) having signed under this Form of Participation and Proxy to represent the shareholder, and
3. Copy of ID document of proxy holder (if not proxy proposed by the Company).

#### IMPORTANT INFORMATION

This information has been prepared to indicate the steps that should be taken by the shareholders in order to participate in the extraordinary general meeting. This document should be read in conjunction with the Company's Articles of Association and applicable provisions of Luxembourg law.

The Company's issued share capital is set at two million one hundred four thousand one hundred twenty US Dollars of America and eleven cents (USD 2,104,120.11.-), consisting of seventy nine million six hundred eighty three thousand four hundred and ten (79,683,410) shares without indication of a nominal value.

Each share entitles the holder thereof to one vote.

#### Right to participate in the extraordinary general meeting of shareholder.

As indicated in the notice published on 30 October 2012 on the website of the Luxembourg Stock Exchange, any shareholder who holds one or more shares of the Company on 16 November 2012 at 12 p.m. (the "**Record Date**") shall be admitted to the extraordinary general meeting.

- 1) Shareholders who wish to participate in person or via proxy to the extraordinary general meeting of shareholders should notify the Company and the operator or depository or sub-depository of their intention to participate by returning the information letter to the Company (Kernel Holding S.A. c/o Intertrust, 65, boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg, Grand Duchy of Luxembourg or by fax +352.26.38.35.09 or by e-mail to y.samusenko@kernel.ua) and to the operator or depository or sub-depository no later than 16 November 2012 at 12.00 p.m.. Shareholders shall provide the Company with the relevant documentation evidencing their ownership (such as depository certificates issued by financial



institutions, custodian banks and investment brokers maintaining securities account) of the shares no later than 27 November 2012 at 12.00 p.m..

- 2) Shareholders whose shares are held through an operator of a securities settlement system or with a professional depository or sub-depository designated by such depository and who wish to vote via the electronic system in relation the extraordinary general meeting of shareholders must give voting instructions to the chairman of the the extraordinary general meeting of shareholders, via the electronic system of the operator of a securities settlement system or with a professional depository or sub-depository designated by such depository. The operator of a securities settlement system or a professional depository or sub-depository designated by such depository must, prior to the extraordinary general meeting, provide a spreadsheet of the voting instructions in relation to the votes cast including a proxy to the chairman of the extraordinary general meeting of shareholders for the extraordinary general meeting of shareholders, to be returned to the Company prior to the date of the extraordinary general meeting.

**The free transferability of the shares shall remain unaffected by the convening and holding procedures of the extraordinary general meeting of shareholders.**

In the event that any shareholder votes through proxies, the proxy form has to be deposited at the registered office of the Company no later than 29 November 2012 at 12 a.m.. The proxy may be submitted by mail to the registered office of the Company or by fax to +352.26.38.35.09 or by e-mail to [y.samusenko@kernel.ua](mailto:y.samusenko@kernel.ua).

Proxy forms and form of participation are available on the website of the Company or upon demand made in writing to [y.samusenko@kernel.ua](mailto:y.samusenko@kernel.ua) or by fax to +352.26.38.35.09.

Proxy forms and form of participation provided on the website of the Company, [www.kernel.ua](http://www.kernel.ua), may be used and will be taken into account. One person may represent more than one shareholder.

Whether or not you propose to attend the extraordinary general meeting in person, we request that the form of participation and form of proxy and be completed and returned in accordance with the instructions printed thereon.

Completion and return of a form of proxy will not prevent shareholders from attending and voting at the extraordinary general meeting, should they so wish.

**Right to have new items added to the agenda of the extraordinary general meeting of shareholders**

One or more shareholders holding together at least 5% of the share capital of the Company may:

- Add new items on the agenda of the extraordinary general meeting of shareholders;
- May file proposed resolutions in relation with the items of the agenda or the additional items.

Such requests must be sent to the Company in writing by mail to Kernel Holding S.A. c/o Intertrust, 65, boulevard Grande-Duchesse Charlotte, L-1331 Luxembourg, Grand-Duchy of Luxembourg or by e-mail to [y.samusenko@kernel.ua](mailto:y.samusenko@kernel.ua). Such requests should enclose the related proposed resolutions and should indicate a mail or e-mail address to which the Company may send an acknowledgement of receipt.

Such requests should be sent to the Company by 8 November 2012. The Company will acknowledge the receipt of such requests within 48 hours upon reception.

The Company will publish an updated agenda of the extraordinary general meeting at the latest on 15 November 2012.

### **Language**

The extraordinary general meeting of shareholders will be conducted in English. Please note that the English language version of all resolutions is binding as the resolutions will be adopted in English.

All documents relating to the extraordinary general meeting of shareholders must be delivered to the Company in English. If any document has been prepared in any other language, shareholders should translate such document into English prior to the extraordinary general meeting of shareholders and provide the Company with the translation.

### **Further questions**

Shareholders may address all queries with respect to the extraordinary general meeting of shareholders by email to the following email address: [investor\\_relations@kernel.ua](mailto:investor_relations@kernel.ua), or to the following address:

Kernel Holding S.A.  
65, boulevard Grande-Duchesse Charlotte,  
L-1331 Luxembourg

On all related correspondence, kindly indicate the following notice:

“2012 Extraordinary General Meeting of shareholders Kernel Holding S.A.”

All documentation and information required under the law of 24 May 2011 implementing the Directive 2007/36 EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders of listed companies including the proposed resolutions shall be available on the website of the Company [www.kernel.ua](http://www.kernel.ua) or may be obtained by sending an e-mail to [y.samusenko@kernel.ua](mailto:y.samusenko@kernel.ua).

If proxy voting instructions are not provided for a resolution, the proxy will be deemed to abstain from voting on this resolution.

For the proxy to be valid, the name of the shareholder must be identical in the form of participation and Proxy and in the Registered Depositary Certificate.

Signature: \_\_\_\_\_

Name: .....

Title: .....

Place/date .....

Signature: \_\_\_\_\_

Name: .....

Title: .....

Place/date: .....

Kindly send the present duly completed and signed form of participation and Proxy either by email (scanned document) to [y.samusenko@kernel.ua](mailto:y.samusenko@kernel.ua), by fax to: +352 26 38 35 09, or by post to the following address, quoting “2012 Extraordinary General Meeting of Kernel Holding S.A.”:

Kernel Holding S.A.

65, boulevard Grand-Duchesse Charlotte

L-1331 Luxembourg