

KERNEL

COMPANY PRESENTATION



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FY2016 highlights

Key highlights:

- EBITDA stood at firm 17% margin, amounting to USD 346.4 million, with a twofold increase in of our net profit to USD 225.2 million in FY2016.
- In FY2016, the Ukrainian crushing business experienced EBITDA margin contraction, driven by two major factors: increased crushing capacity and farmers' unwillingness to sell oilseed stock. Therefore, the EBITDA contribution by our sunflower oil division fell 40% y-o-y, to USD 128.8 million. At the same time, our crushing volumes in FY2016 have reached a new record 2.7 million tons of sunflower seed, up 6% y-o-y.
- Grain and infrastructure EBITDA stood at USD 107.1 million, down 6% y-o-y. Our grain exports EBITDA margin stood firm at 6% in FY2016, amounting to USD 46.3 million, down 22% y-o-y as a result of slower selling activity by farmers from October to January and weaker profitability in Russia. Export terminal performance posted a record volume of 5.3 million tons transshipped. The silo services' EBITDA increased 28% to USD 23.4 million in FY2016, as costs deflated, driven by lower natural gas prices and the devaluation of the national currency.
- Farming continued to set records with EBITDA contribution up 49% y-o-y to USD 146.0 million, as the result of further efficiencies in crop cultivation, technology advancements and lower production costs caused by the Ukrainian hryvnia's depreciation, which boosted profitability.

USD million except ratios and EPS	FY2016	FY2015 ⁽¹⁾	y-o-y
P&L highlights			
Revenue	1,988.5	2,329.5	(14.6%)
EBITDA ⁽²⁾	346.4	396.6	(12.7%)
Net profit ⁽³⁾	225.2	106.9	2.1x
EBITDA margin	17.4%	17.0%	0.4pp
Net margin	11.3%	4.6%	6.7pp
EPS ⁽⁴⁾ , USD	2.8	1.3	2.1x

Cash flow highlights

Operating profit before working capital changes	330.5	338.7	(2.4%)
Change in working capital	(136.3)	147.4	n/m
Cash from operations before interest and taxes	194.1	486.1	(60.1%)
Net cash obtained from operating activities	133.7	404.7	(67.0%)
Net cash used in investing activities	(60.7)	(24.3)	2.5x

Credit metrics

Net interest-bearing debt	282.8	339.4	(16.7%)
Readily marketable inventories	183.7	140.1	31.2%
Adjusted net debt ⁽⁵⁾	99.1	199.3	(50.3%)
Shareholders' equity	995.3	889.6	11.9%
Net debt/EBITDA	0.8x	0.9x	(0.1x)
Adjusted net debt/EBITDA	0.3x	0.5x	(0.2x)
EBITDA/Interest	6.1x	5.8x	0.3x

Note: Our financial year ends 30 June. Differences are possible due to rounding.

(1) Hereinafter, FY2015 figures exclude adjustment for discontinued operations, outline in note 14 of the financial statements for FY2016

(2) Hereinafter, EBITDA is calculated as the sum of the profit from operating activities plus amortization and depreciation.

(3) Net profit attributable to equity holders of Kernel Holding S.A.

(4) EPS is measured in US Dollars per share, based on 79.7 million shares during the periods under review.

(5) Adjusted net financial debt is equal to net debt minus readily marketable inventories.

Source: Kernel.

FY2016 segment results summary

	Revenue, USD million			EBITDA, USD million			EBITDA margin, %		Volumes, thousand tons		
	FY2016	FY2015	y-o-y	FY2016	FY2015	y-o-y	FY2016	FY2015	FY2016	FY2015	y-o-y
Sunflower oil											
Sunflower oil sold in bulk	1,032.1	1,099.7	(6.1%)	113	192.6	(41.3%)	11.0%	17.5%	983.9	1,030.2	(4.5%)
Bottled sunflower oil	102.6	114.1	(10.0%)	15.8	20.5	(22.9%)	15.4%	18.0%	93.7 ¹	98.9 ¹	(5.3%)
Grain and infrastructure											
Grain	821.7	1,053.3	(22.0%)	46.3	59.4	(22.1%)	5.6%	5.6%	4,409.5	4,743.8	(7.0%)
Export terminals	57.3	55.3	3.7%	37.5	36.8	1.9%	65.4%	66.6%	5,343.3 ²	4,821.7 ²	10.8%
Silo services	38.2	42.4	(9.9%)	23.4	18.3	27.7%	61.2%	43.2%	2,819.8	2,523.1	11.8%
Farming											
Farming	358.1	310.4	15.4%	146	97.9	49.0%	40.8%	31.6%	1,818.3	1,798.5	1.1%
Sugar and discontinued operations ³	(0.5)	25.8	n/m	1.7	4	(57.6%)					
Unallocated corporate expenses				(37.2)	(32.9)	40%					
Revenue reconciliation	(421.1)	(371.3)	13.4%								
Total	1,988.5	2,329.5	(14.6%)	346.4	396.6	(12.7%)	17.4%	17.0%			

Note: Differences are possible due to rounding. Segment revenue includes intersegment sales reflected in the item 'Reconciliation'.

(1) Million liters.

(2) Including 1,619.7 thousand tons transshipped through Taman port in FY2016 and 1,173.8 thousand tons FY2015.

Earnings from the joint venture are accounted for below EBITDA.

(3) Discontinued operations from sugar and assets held for sale.

Source: Condensed Consolidated Interim Financial Statements for the year ended 30 June 2016.

Q1 FY2017 operations update

Key highlights:

- “ Strong crop production both in Ukraine and Russia (up 6% and 10% y-o-y respectively) along with higher carried-over stock fueled our grain exports by 28% y-o-y in Q1 FY2017 to 1.2 million.
- “ Growing export sales of bottled oil was a primary driver to 26% y-o-y increase in volumes sold.
- “ Lower availability of sunflower seeds in the end of the marketing season resulted in 33% y-o-y decline of oilseeds crushed Q1 FY2017, while sizable brought forward sunflower oil stock resulted in a marginal 5.8% y-o-y increase in volumes of sunflower oil sold in bulk.
- “ Export terminal throughput rose 19% y-o-y to 1.4 million tons, reflecting growth in grain exports

Harvest update:

- “ Material increase in crop yields is attributable to continuous improvements in our production technology and favorable weather conditions during pollinating and rippling period.

Corporate and regulatory:

- “ In September 2016, Fitch Ratings upgrades Long-Term Local Currency IDR (LT LC IDR) of Kernel Holdings S.A. to B-, one notch above the sovereign LT LC IDR of 'CCC', reflecting Kernel's export-oriented business model and limited reliance on Ukrainian banking system. Kernel's Long-Term Foreign Currency IDR remains constrained by Ukraine's Country Ceiling of 'CCC', Fitch notes that having a debt service ratio above 1x sustainably for several years, could justify one-notch uplift in accordance with Fitch's criteria.
- “ In August 2016, Kernel renewed its sunflower oil pre-export credit facility with a syndicate of European banks. A one-year secured revolving facility with a limit of USD 300 million is used by the company to fund the working capital needs of its sunflower oil production export business in Ukraine.

Volume and tonnage	Q1 FY2017	Q1 FY2016	y-o-y
Grain sales, tons	1,182,572	927,446	27.5%
Sunflower oil sales in bulk, tons	167,267	158,150	5.8%
Bottled sunflower oil sales, '000 liters	22,322	17,683	26.2%
Oilseed crush, tons	279,951	417,902	(33.0%)
Export terminals' throughput, tons ⁽¹⁾	1,393,474	1,167,697	19.3%

(1) Including 473,779 tons transshipped through Taman port in Q1 FY2017 vs. 594,822 tons in Q1 FY2016, which represents 50% of the total throughput volume of the Taman facility. Kernel Holding S.A. owns a 50% stake in the Taman grain transshipment facility.

Note: The financial year ends 30 June.

	Acreage, thousand hectares			Net crop yield ⁽¹⁾ , tons/hectare		
	FY2017	FY2016	y-o-y	FY2017E	FY2016	y-o-y
Corn	138.3	160.7	(13.9%)	8.6	7.2	18.7%
Wheat	82.0	72.5	13.1%	5.9	5.1	15.1%
Sunflower	81.4	62.0	31.3%	3.0	2.8	9.5%
Soybean	58.2	66.9	(13.0%)	2.7	1.8	50.9%
Rapeseed	2.6	9.6	(72.4%)	3.4	4.4	(23.1%)
Other ⁽²⁾	17.8	14.2	25.7%			
Total	380.4	385.9	(1.4%)			

(1) Net crop yields are estimated based on 39% of corn, 98% sunflower seed, 89% soybean acreage harvested as of 21 October 2016, 100% for other crops.

(2) Includes barley, rye, oats, forage crops. Excludes fallow land.

FY2017 outlook

Sunflower oil

- " In preparation for the upcoming marketing year, our Black Sea Industries, a crushing plant located in Chornomorsk (formerly Illichevsk), underwent improvements in its storage and pre-crush facilities, which together with the renegotiated tolling agreement, adding approximately 275,000 tons of crushing capacities, raised the total installed capacity to a record 3.5 million tons of sunflower seeds, up 30% y-o-y .
- " Our mid-term strategy targets remain unchanged: consolidation of the oilseed crushing industry in Ukraine and continuous operational excellence. .

Grain and infrastructure

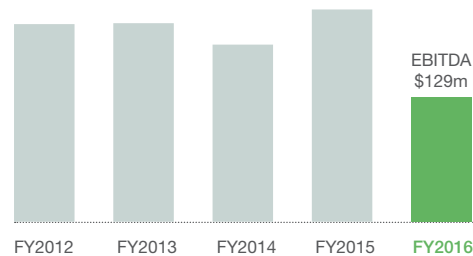
- " As Ukraine's total grain exports are forecasted to increase by 7% y-o-y in 2016/17, we also expect to maintain our market share, which should be in line with the overall trend in exports pattern and solid production in our farming division. Following the debottlenecking of our Chernomorsk facility in Ukraine and the expansion of the Taman storage capacity, both facilities are well-positioned to accommodate the expected growth in grain exports from the region to drive throughput volumes up in FY2017.
- " Looking further, we continue to believe that Ukraine and Russia are one of the few regions in the world that could materially increase grain production, and that most of this incremental crop will be exported. Through continued development of existing port capacity, we aim to nearly double our grain export within several years.

Farming

- " In FY2017, contribution from Farming division is expected to be comparable to the previous year's levels, which reflects our committed approach to sustainable efficiency and increasing productivity.
- " The weather was favorable during the pollination periods for our major crops and the yields are expected to increase on average by double digit percentage, reflecting the changes in cultivation and tillage technology.
- " Looking forward, we have successfully launched an ambitious project, #DigitalAgriBusiness, which, through big data analytics and machine learning, shall transform the traditional way of thinking about large-scale farming and its operations to streamline processes and result in prompt decision-making.

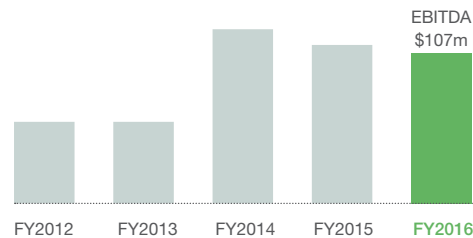
Kernel at a glance

Sunflower oil



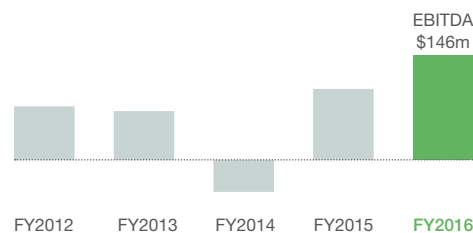
- " #1 sunflower oil producer and exporter in Ukraine.
- " 3.5 million tons/year sunflower seed crushing capacity.
- " #1 bottled sunflower oil producer and marketer in Ukraine with 30% market share.

Grain and infrastructure



- " Leading grain originator and marketer with ca. 12% of Ukraine's total grain exports.
- " #3 grain exporter from Russia.
- " 3 export terminals in Ukraine and Russia with a total annual capacity to transship 6 million tons.
- " #1 inland grain silo network with 2.8 million tons of storage capacity in Ukraine.

Farming



- " #2 crop producer in Ukraine with 390,000 hectares of leasehold farmland.
- " Modern large-scale machinery, sustainable agronomic practices, cluster management system, focused export-oriented crop mix.
- " ca. 90% of output goes through our grain and infrastructure or sunflower oil segments, earning incremental profits.

Note: Hereinafter, segment EBITDA is presented prior to certain unallocated G&A costs and net of discontinued operations from sugar and assets held for sale.

Stock information

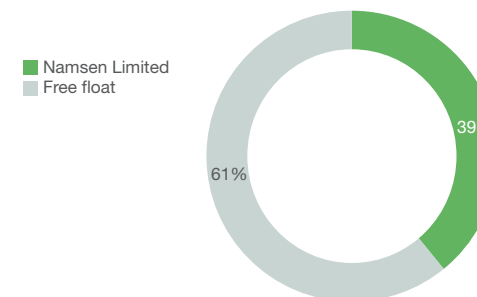
Exchange	Warsaw Stock Exchange
Stock quote currency	PLN
Issued shares	79,683,410
Bloomberg Reuters ticker	KER PW KERN.WA
ISIN code	LU0327357389

Market data as of 21 October 2016

Market capitalization	USD 1,199.3 million
Closing price	PLN 59.84 / USD 15.05
Lowest/Highest price for last twelve months	USD 9.83 / 16.71
Average daily turnover, twelve months	126,646 shares / USD 1.7 million

USD million except ratios and EPS	FY2016	FY2015	FY2014
Revenue	1,988.5	2,329.5	2,393.3
EBITDA	346.4	396.6	223.0
Net profit/(loss) ⁽¹⁾	225.2	106.9	(98.3)
EBITDA margin	17.4%	17.0%	9.3%
Net margin	11.3%	4.6%	(4.1%)
EPS, USD	2.83	1.34	(1.23)

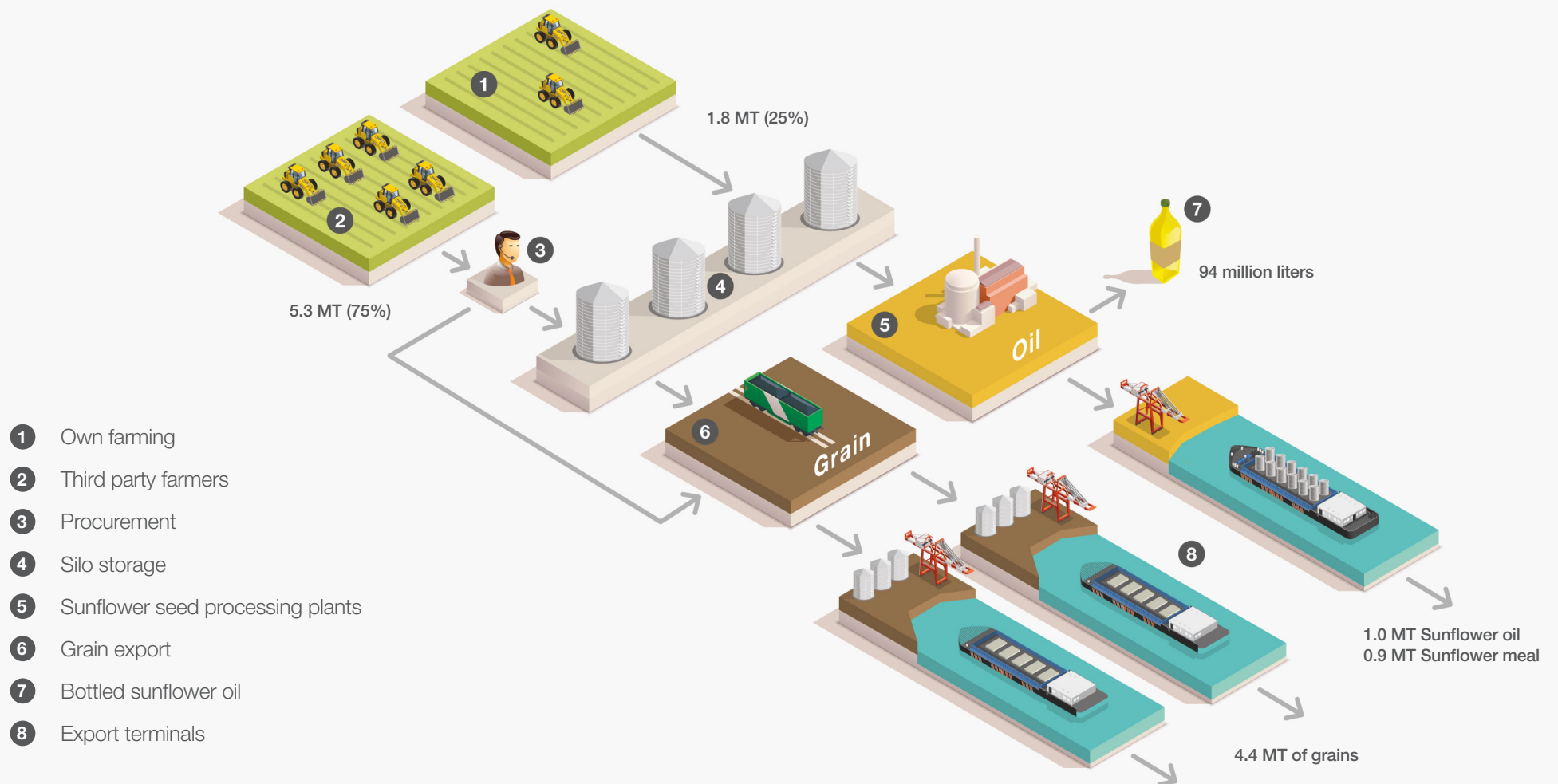
Shareholding structure



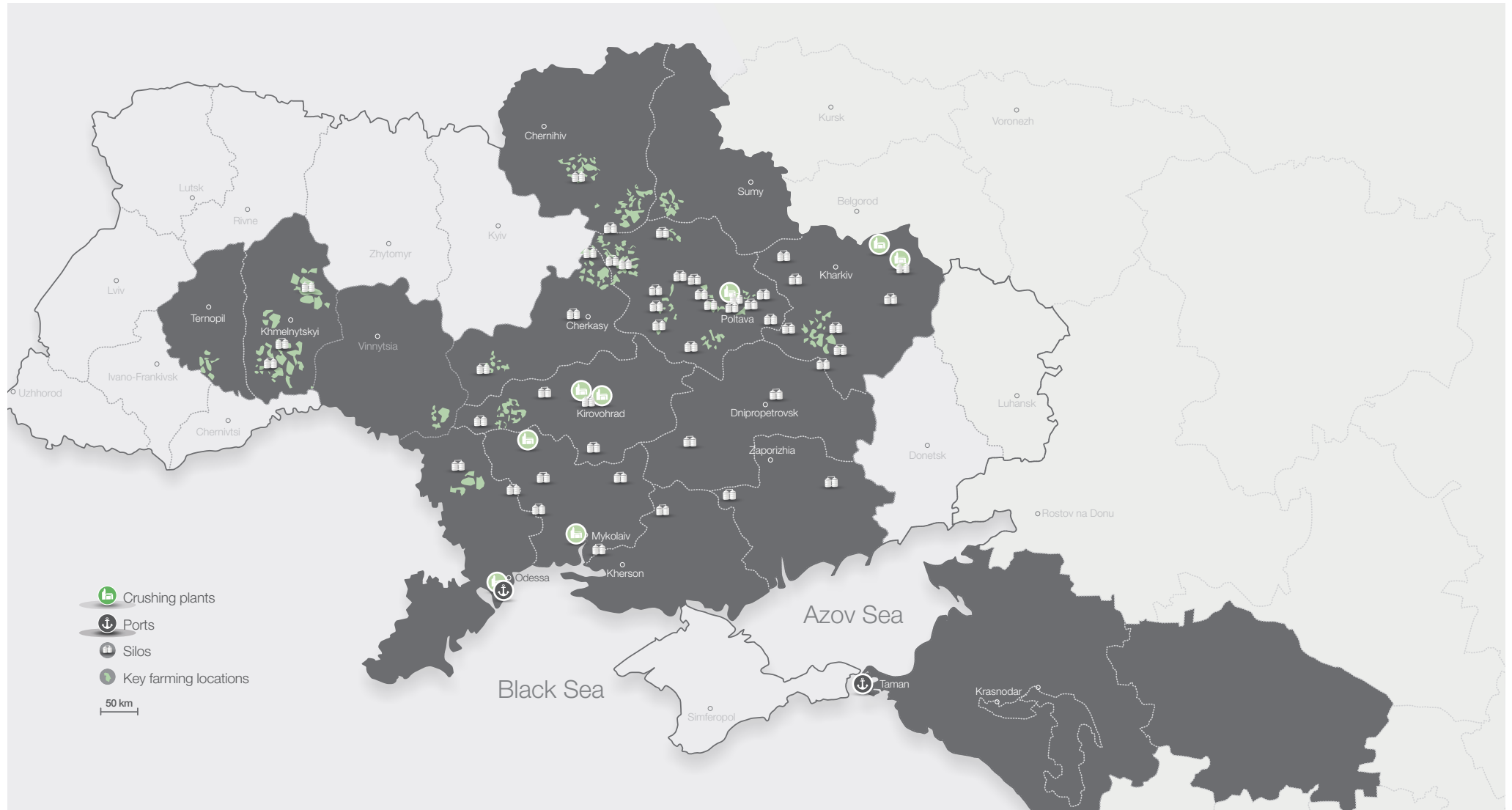
Source: Bloomberg, Kernel.

(1) Net profit/(loss) attributable to equity holders of Kernel Holding S.A.

Our business model



Asset map



Sunflower Oil

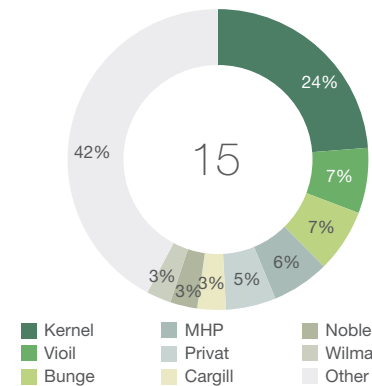


Our business model

- " #1 oilseed crusher in Ukraine; total capacity of 3.5 million tons of sunflower seed per year.
- " Diversified asset base: 8 plants located across the sunflower seed belt in Ukraine.
- " Diversified supplier base: 5,000+ suppliers annually. Own farming contributes 6-9% of total volumes.
- " 'Balanced book' policy of locking into margins at the moment of sunflower seed procurement.
- " 90% volumes exported in bulk; 10% sold domestically via several brands and private labels.

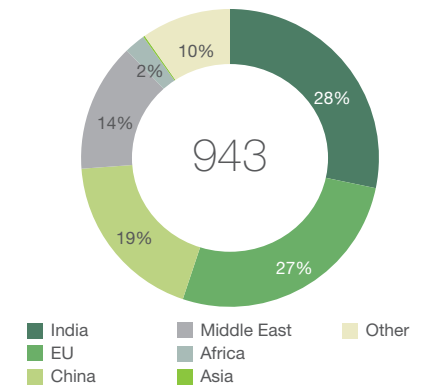


Sunflower seed industrial crushing capacity in Ukraine (million tons)



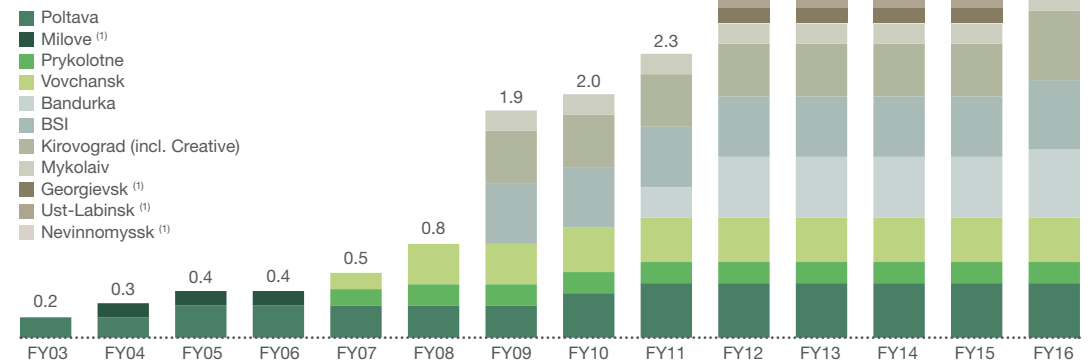
Note: Differences are possible due to rounding.
Source: Kernel.

Sunflower oil sold in bulk exports by destination (thousand tons)



Source: Kernel.

Kernel oilseed crushing capacity (million tons per year)



(1) Milove oilseed crushing plant divested in FY2006. Nevinnomysk oilseed crushing plant divested in FY2014.
Georgievsk and Ust-Labinsk were divested in April 2016.
In February 2016, Kernel announced acquisition of 560,000 tons oilseed crushing plant in Ukraine.
Source: Kernel.

Sunflower oil in FY2016

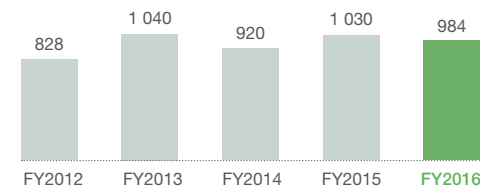
Sunflower oil sold in bulk

- While the supply of sunflower seed recovered to a normalized level in 2015/16, the crushing capacities in Ukraine were underutilized. During the year, the crushing margins experienced a market-wide contraction stemming from an imbalance between supply and demand of sunflower seeds, as new crushing facilities have been commissioned. Hence, our EBITDA margin declined to 11% from 18% a year ago.
- In March 2016, we completed an acquisition of a modern 560,000-ton multi-seed crushing facility in Kropyvnytskyi (formerly Kirovograd) fitting perfectly into our existing origination and marketing platform, which was operational under a tolling agreement and, in combination with the standing asset base, has helped us achieve a record level of sunflower seeds crushed.

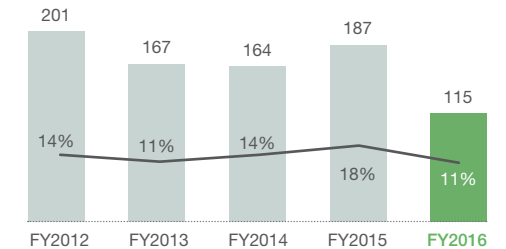
Bottled sunflower oil

- Bottled sunflower oil sales were down 10% y-o-y to USD 102.6 million, as a result of decreasing sales volumes, caused by the deterioration of purchasing power in Ukraine due to the depreciation of the Ukrainian hryvnia over the past two years and our cautious approach to counterparty risk. We shifted volumes from the domestic to export market with no currency and limited counterparty risk. Along with lower bulk oil profitability, the bottled oil segment's EBITDA margin decreased to USD 169.0 per thousand liters versus USD 207.7 a year ago.
- We managed to retain the EBITDA margin during the periods of intensified competition, thus posting a material premium over the bulk oil segment's EBITDA of 11% during FY2016.

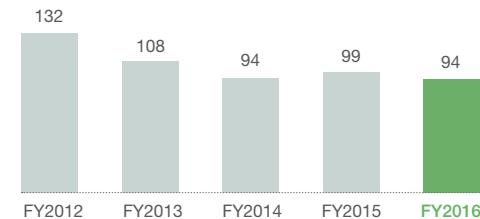
Sunflower oil sold in bulk
(thousand tons)



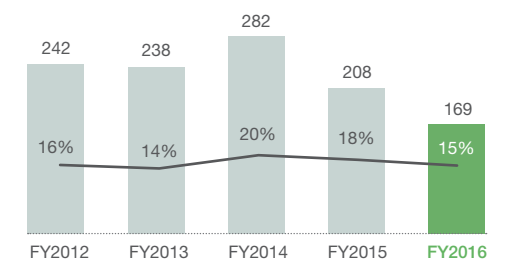
Sunflower oil sold in bulk EBITDA
(USD/ton, %)



Sunflower oil sold bottled
(million liters)



Bottled sunflower oil EBITDA
(USD/thousand liters, %)



Source: Kernel.

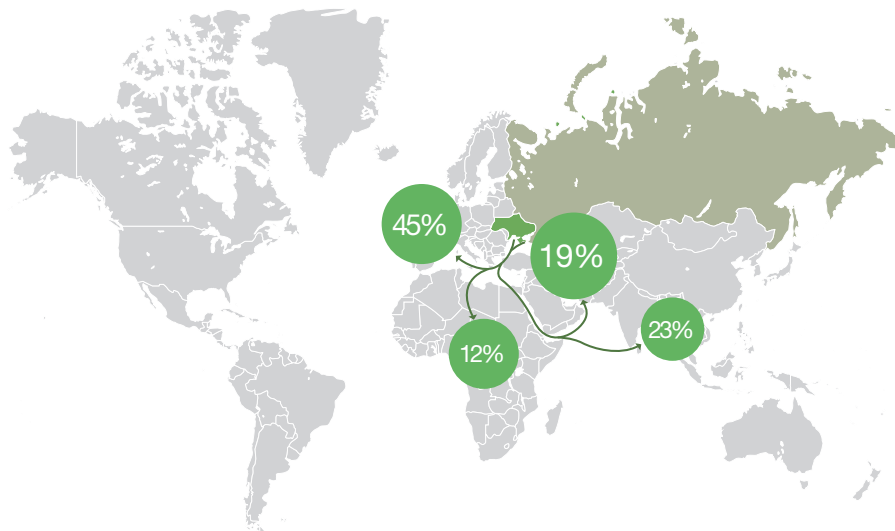
Grain and Infrastructure



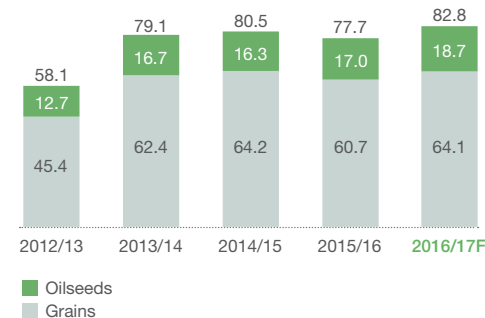
Our business model

- “ Top grain exporter from the Black Sea region, with a market share in Ukraine of 9-12% and in Russia of about 4%.
- “ ‘Balanced book’ policy of locking in margins at the moment of grain purchase from farmer.
- “ Our origination team buys from thousands of farmers at their farm-gate or inland silos.
- “ Our own 2.8 million ton silo storage capacity serves as captive for our origination platform.
- “ Three export terminals with a total capacity of 6 million tons per year.
- “ Our own crop production in Ukraine secures 20-30% of the total grain export and transshipment volumes and 40-50% of silo throughput.

Kernel's grain sales by destination
(2015/16)

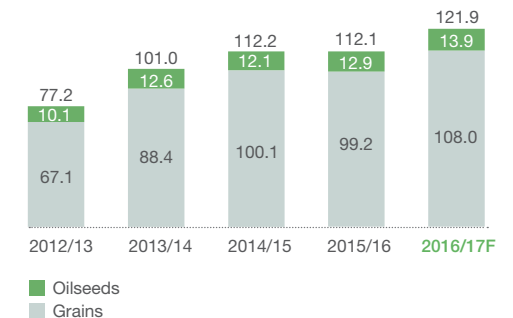


Grain and oilseed production in Ukraine
(million tons)



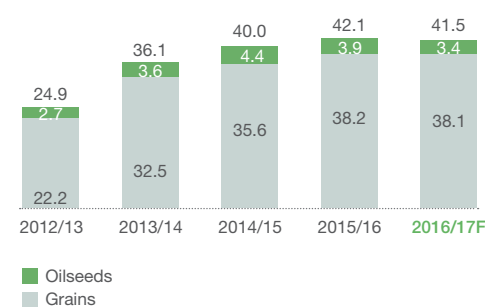
Source: State Statistics Service of Ukraine, APK-Inform forecasts. September 2016.

Grain and oilseed production in Russia
(million tons)



Source: Russian Federation Federal State Statistics Service, APK-Inform forecasts. September 2016.

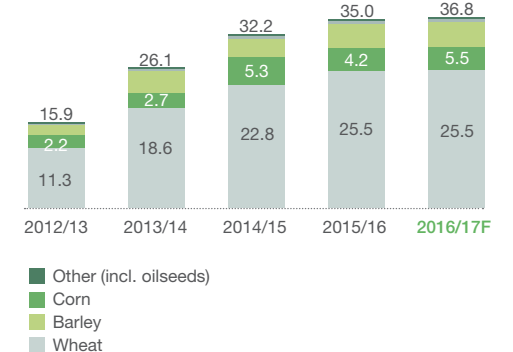
Ukraine's grain and oilseed exports
(million tons)



Source: APK-Inform forecasts. September 2016

Note: Differences are possible due to rounding.

Russia's grain and oilseed exports, by crop
(million tons)



Source: APK-Inform forecasts. September 2016

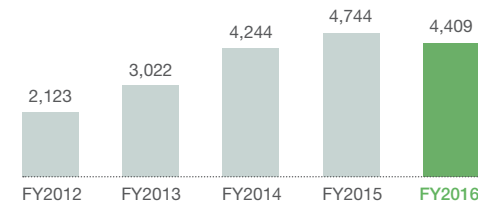
2012/13 2013/14 2014/15 2015/16 2016/17 F

Grain and infrastructure in FY2016

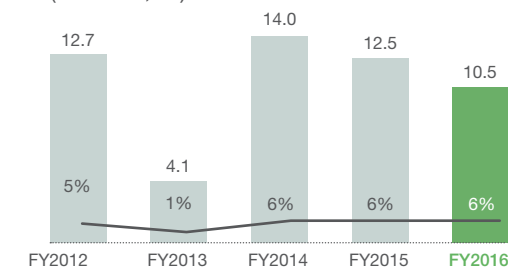
Grain export:

- " Grain sales volumes stood at 4.4 million tons, down 7% y-o-y, due to the change in seasonality of grain exports from Ukraine and the accumulation of pre-sold stock to meet stronger demand for deliveries in Q1 FY2017. Weaker grain trading margins of the first half of the season were offset with expanded margins in the second half following the reinstatement of VAT refunds on grain exports on 1 January 2016.

Grain sales
(thousand tons)



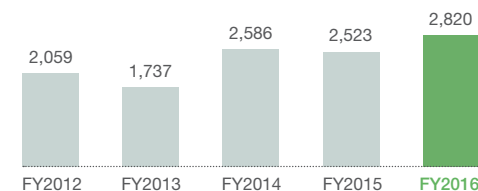
Grain segment's EBITDA
(USD/ton, %)



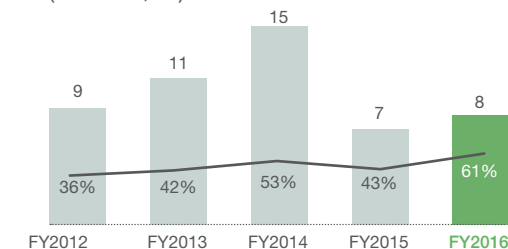
Silo services:

- " The silo services segment's performance prospered in FY2016, delivering 2.8 million tons of cumulative grain and oilseed intake at inland silos – a strong 12% y-o-y increase, caused by improving turnover of our storage facilities and streamlining the customer base. At the same time, revenues reached USD 38.2 million, down 10% y-o-y, as drier weather conditions during harvesting resulted in a 10% y-o-y decline in the volume of drying services provided. Overall, the segment's EBITDA contribution surged 28% y-o-y, reaching USD 23.4 million in FY2016.

Grain received in inland silos
(million tons)



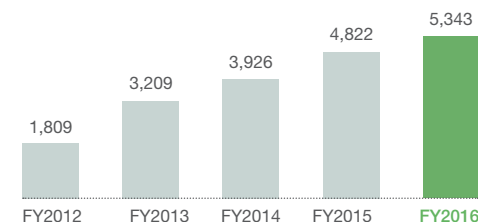
Silo services EBITDA
(USD/ton, %)



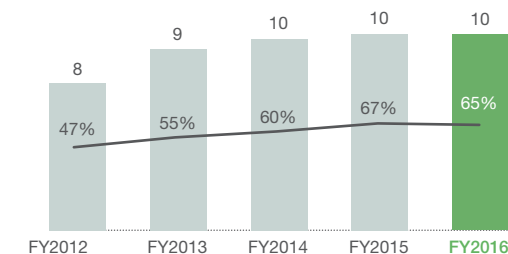
Export terminals:

- " Export terminals' performance continued to set records, transshipping 5.3 million tons in FY2016, a healthy 11% y-o-y increase, largely attributable to the de-bottlenecking of our Chornomorsk (formerly Illichevsk) facility and capacity expansion at Taman, our joint venture deepwater grain transshipment terminal in Russia. The overall contribution to consolidated EBITDA of the segment was USD 37.5 million, up 2% y-o-y.

Export terminal throughput
(million tons)



Export terminal EBITDA
(USD/ton, %)



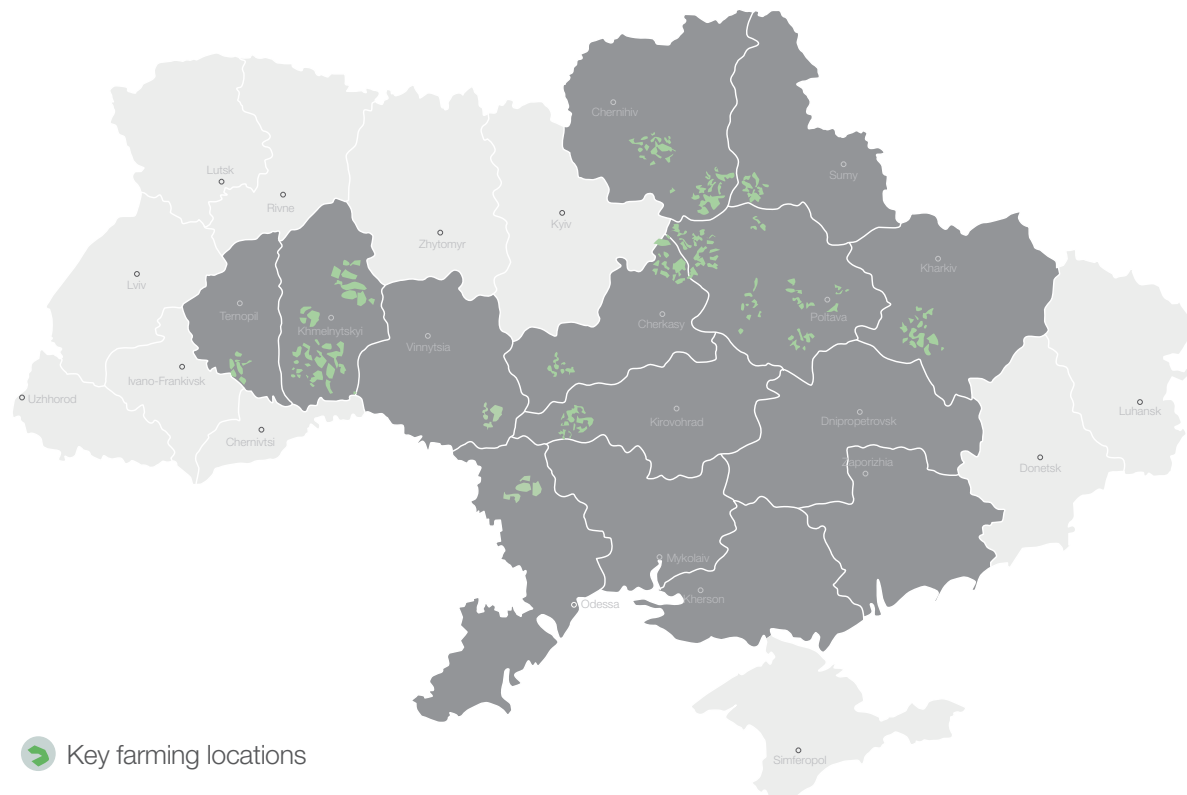
Source: Kernel.

Farming

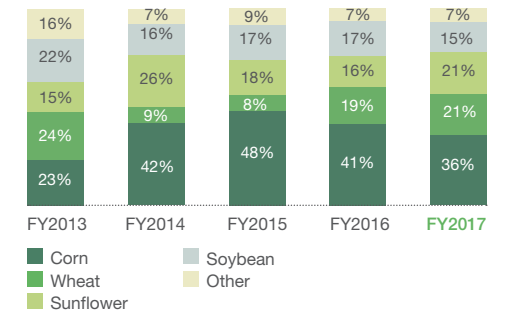


Our business model

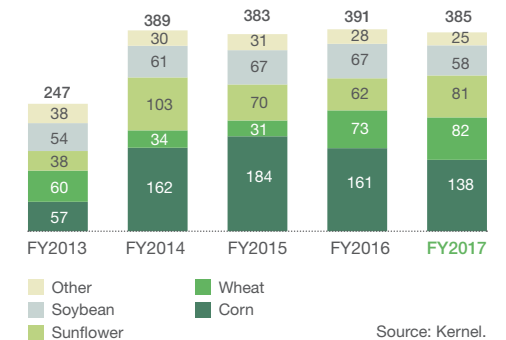
- “ Large-scale crop production on 390,000 hectares of leasehold farmland in Ukraine.
- “ A crop mix based on four crops allows us to focus on profits and technology while keeping sufficient flexibility.
- “ We utilize modern large-scale machinery, sustainable agronomic practices, and a cluster management system.
- “ 85-90% of output goes through our grain and infrastructure or sunflower oil segments, earning incremental profits.



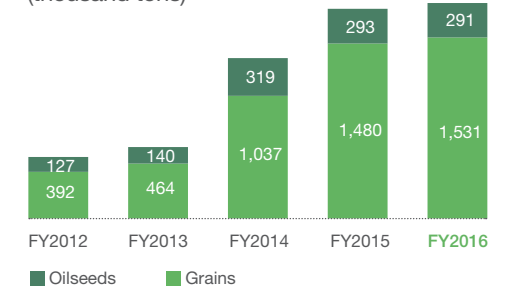
Kernel's farmed acreage crop mix



Acreage harvested by crop
(thousand hectares)



Kernel's crop production
(thousand tons)



Farming in FY2016

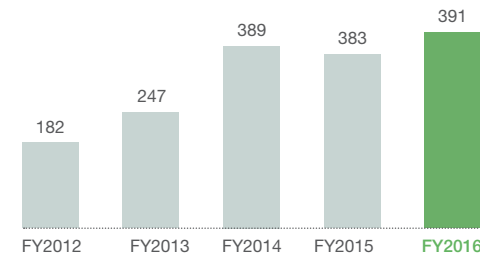
Farming:

- " In FY2016, our farming division contributed 38% of the Group EBITDA, thus having another year of stellar performance, as we continued to implement changes of our production technology to deliver growth in crop yields.
- " For the second consecutive year, our crop production costs per hectare continue to decline as energy costs and the Ukrainian hryvnia depreciated further. Additionally, reinstatement of VAT refunds on grain exports increased farm gate prices.

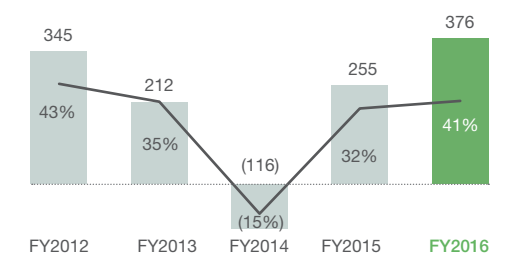
Key market trends in FY2016:

- " Continued prevalence of grain production over consumption is expected to keep international prices under pressure.
- " Devaluation of currencies in emerging markets reduced the USD denominated cost base of crop production supporting profitability of farmers.
- " Changes in tax legislation effective from 1 January 2016 had a net positive contribution to farming earnings.

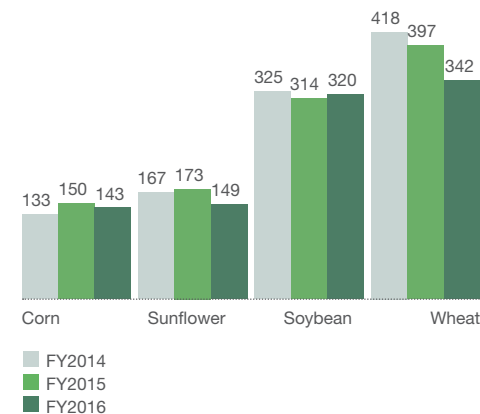
Acreage harvested
(thousand hectares)



Farming segment EBITDA
(USD/hectare, %)

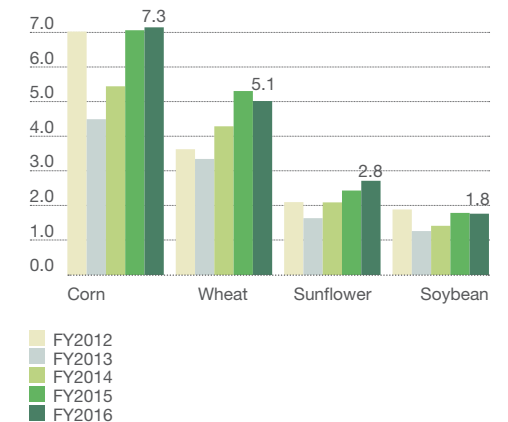


Average farm gate prices in Ukraine
(USD per ton, ex VAT)



Source: Kernel.

Crop yields,
(tons per hectare, net)



Crop production cycle in Ukraine



Source: Kernel.

Financials



Balance sheet

Balance sheet highlights

USD million	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Invested capital											
Cash & cash equivalents	6.4	25.3	88.5	129.3	59.5	115.9	82.5	78.8	65.4	129.1	60.4
Net trade accounts receivable	9.1	9.8	48.7	32.4	65.5	111.6	146.4	150.8	99.8	56.1	75.2
Inventory	32.3	40.2	144.7	99.1	147.8	183.7	410.2	270.2	299.5	158.8	200.2
of which: readily marketable inventories	29.3	38.1	138.6	94.9	142.9	172.7	385.1	175.1	243.4	140.1	183.7
Biological assets	3.4	9.7	42.4	18.9	26.1	96.0	153.3	247.0	182.8	146.6	190.3
Other currents assets	16.8	31.1	53.0	98.7	299.8	302.6	326.0	343.3	225.0	168.0	194.4
Net property, plant & equipment	72.5	127.9	231.6	221.8	379.0	502.8	728.4	763.3	643.5	535.2	538.7
Other non-current assets	15.4	31.2	146.7	99.6	147.0	260.1	269.6	508.2	403.0	271.9	250.2
Total assets	155.8	275.1	755.6	699.7	1,124.8	1,572.6	2,116.4	2,361.6	1,919.0	1,465.6	1,509.4
Financed by											
Short-term liabilities	34.5	59.2	185.1	195.1	352.2	395.0	446.2	700.1	597.4	458.1	373.3
of which: interest-bearing debt	28.9	44.4	126.7	159.7	209.9	265.9	271.4	458.2	489.4	373.3	259.0
Long-term liabilities	73.8	130.6	130.1	147.2	167.7	180.3	459.5	309.3	291.0	116.7	139.0
of which: long-term interest bearing debt	64.4	119.9	98.1	132.9	135.3	156.1	426.9	275.7	260.0	95.2	84.1
Total liabilities	108.3	189.8	315.2	342.2	519.9	575.3	905.7	1,009.4	888.3	574.8	512.3
Total equity	47.6	77.8	440.4	357.5	604.9	997.3	1,210.7	1,352.3	1,030.7	890.8	997.1

Net debt and credit metrics

USD million except ratios	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Gross interest-bearing debt	93.3	164.3	224.8	292.6	345.1	422.0	698.3	733.9	749.4	468.5	343.1
Net interest-bearing debt	87.0	139.1	136.2	163.3	285.6	306.1	615.8	655.1	684.0	339.4	282.8
Readily marketable inventories	29.3	38.1	138.6	94.9	142.9	172.7	385.1	175.1	243.4	140.1	183.7
Adjusted net financial debt	57.7	101.0	(2.4)	68.4	142.7	133.4	230.7	480.0	440.6	199.3	99.1
Net debt / EBITDA	5.1x	3.0x	1.1x	0.9x	1.5x	1.0x	1.9x	2.3x	3.1x	0.9x	0.8x
Adjusted net debt / EBITDA	3.4x	2.2x	(0.0x)	0.4x	0.8x	0.4x	0.7x	1.7x	2.0x	0.5x	0.3x
EBITDA / Interest	1.8x	2.5x	4.4x	5.9x	8.3x	7.3x	5.1x	3.8x	3.1x	5.8x	6.1x

Note: Our financial year ends 30 June. Source: Consolidated audited accounts for 12-months periods ending 30 June 2006 to 2016.

P&L and cash flow

P&L highlights

USD million except ratios and EPS	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Revenue	215.2	350.4	663.1	1,047.1	1,020.5	1,899.1	2,071.8	2,796.8	2,393.3	2,329.5	1,988.5
Net IAS 41 gain ¹									14.9	(17.1)	(6.8)
Gross profit	41.8	83.0	158.6	316.8	311.1	459.5	457.4	450.6	408.2	512.2	460.2
EBITDA	17.0	46.4	123.2	190.1	190.0	309.6	318.8	287.5	223.0	396.6	346.4
EBIT	1.3	19.5	83.2	135.5	152.0	226.3	206.7	111.6	(98.3)	106.9	225.2
EBIT	12.0	38.6	111.6	166.6	167.5	277.3	257.3	200.9	128.7	328.3	287.2
Net financial costs	(9.3)	(18.9)	(28.1)	(32.2)	(22.8)	(42.5)	(63.1)	(74.9)	(72.5)	(68.6)	(57.1)
Gross margin	19.4%	23.7%	23.9%	30.3%	30.5%	24.2%	22.1%	16.1%	17.1%	22.0%	23.1%
EBITDA margin	7.9%	13.2%	18.6%	18.2%	18.6%	16.3%	15.4%	10.3%	9.3%	17.0%	17.4%
Net margin	0.6%	5.6%	12.6%	12.9%	14.9%	11.9%	10.0%	4.0%	(4.1%)	4.6%	11.3%
EPS, USD			2.08	1.97	2.20	3.03	2.61	1.40	(1.23)	1.34	2.83

Cash flow highlights

USD million	FY2006	FY2007	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016
Operating profit before working capital changes	16.6	45.4	116.1	188.2	205.7	275.2	291.4	288.0	195.5	338.7	330.5
Changes in working capital	(35.8)	(14.7)	(210.3)	(25.0)	(97.4)	(180.1)	(242.1)	135.4	(0.9)	147.4	(136.3)
Cash obtained from/(used in) operations	(19.3)	30.7	(94.1)	163.2	108.4	95.1	49.3	423.5	194.7	486.1	194.1
Finance costs paid	(9.4)	(18.4)	(28.1)	(32.2)	(22.8)	(36.0)	(66.8)	(76.2)	(72.0)	(68.4)	(57.6)
Income tax paid	(0.4)	(0.7)	(3.4)	(1.7)	(0.8)	(3.0)	(6.5)	(43.4)	(40.2)	(13.0)	(2.8)
Net cash obtained from/(used in) operating activities	(29.0)	11.6	(125.6)	129.3	84.8	56.1	(24.0)	303.9	82.5	404.7	133.7
Net PPE disposals/(purchases)	(6.0)	2.2	(24.4)	(88.6)	(56.2)	(48.1)	(93.1)	(90.9)	(41.7)	(22.7)	(30.4)
Sales/(Purchase) of intangible and other non-current assets	0.6	0.3	(48.5)	(1.2)	0.8	(66.5)	(1.6)	(23.1)	(0.5)	(4.1)	(0.5)
Net cash obtained from/(used in) investing activities	(5.4)	(57.2)	(170.1)	(95.3)	(125.6)	(126.1)	(229.2)	(266.1)	(83.2)	(24.3)	(60.7)
Net cash obtained from/(used in) investing & operating activities	(34.4)	(45.7)	(295.7)	34.0	(40.9)	(69.9)	(253.2)	37.8	(0.7)	380.4	73.0

(1) The amount is calculated for FY2013-FY2016 only, as the Company started presenting IAS 41 gain as a separate line in its P&L statement only starting from FY2014.

Prior to that, components were allocated to COGS and Other Operating Income. For more details, please refer to the disclosures in FY2014 annual report.

(2) Net profit attributable to equity holders of Kernel Holding S.A.

Note: Our financial year ends 30 June.

Source: Consolidated audited accounts for 12-months periods ending 30 June 2006 to 2016.

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Investor calendar

" Q1 FY2017 financial report	30 November 2016
" Annual general meeting of shareholders	12 December 2016
" Q2 FY2017 operations update	20 January 2017
" H1 FY2017 financial report	28 February 2017
" Q3 FY2017 operations update	20 April 2017
" Q3 FY2017 financial report	30 May 2017
" Q4 FY2017 operations update	13 July 2017
" FY2017 financial report	23 October 2017

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