



Current report no 42/2014

dated 24 December 2014

APPROVAL OF THE MANAGEMENT INCENTIVE PLAN

Kernel Holding S.A. reports that the board of directors approved on 23 December 2014 a management incentive plan (the "Management Incentive Plan") providing to Management Team Members and Eligible Employees (as defined in the Management Incentive Plan) an option to purchase in aggregate up to 3,750,000 (three million seven hundred fifty thousand) new shares of Kernel Holding S.A., such number being equal to 4.71% of the issued and outstanding stock of Kernel Holding S.A. as at the adoption date of such plan, at the exercise price per share equal to the average market price for one share for 12-month period ending 31 December 2014.

2,000,000 (two million) options shall be vested and will become exercisable in the following proportion:

- one fifth of the shares under option will become exercisable on 8 December 2015;
- one fifth of the shares under option will become exercisable on 8 December 2016;
- one fifth of the shares under option will become exercisable on 8 December 2017;
- one fifth of the shares under option will become exercisable on 8 December 2018;
- one fifth of the shares under option will become exercisable on 8 December 2019.

1,750,000 (one million seven hundred fifty thousand) options shall be vested and will become exercisable in the following proportion:

- 50% of the shares under option will become exercisable on 7 June 2017;
- 50% of the shares under option will become exercisable on 8 December 2019.

Legal grounds: Art. 56.1 of the Act of 29 July 2005 on public offerings, conditions governing the introduction of financial instruments to the organised trading system, and public companies.

Signatures of individuals authorised to represent the Company:

Anastasiia Usachova

Yuriy Kovalchuk