

KERNEL HOLDING S.A.

OPERATIONS UPDATE FOR THE THREE MONTHS ENDED 31 DECEMBER 2020

Segment volumes

metric tons	2Q FY2020	2Q FY2021	y-o-y	1H FY2020	1H FY2021	y-o-y
Oilseeds processed	950,986	1,001,292	5%	1,579,712	1,663,905	5%
Edible oil sales ¹	346,461	425,341	23%	647,926	721,582	11%
Grain and oilseeds received in inland silos	2,036,506	2,379,387	17%	3,995,477	3,634,036	(9%)
Export terminal's throughput (Ukraine)	1,692,237	2,382,860	41%	2,887,420	4,251,453	47%
Grain export from Ukraine ²	2,262,727	2,395,343	6%	3,883,678	4,520,993	16%

Note 1 Includes sales of sunflower oil in bulk and bottled sunflower oil.

Note 2 Excluding physical trading volumes reported by Avere, a subsidiary of Kernel involved in physical and proprietary trading.

Preliminary figures; financial year ends 30 June.

Differences are possible due to rounding.

Key highlights:

- Setting a new quarterly production record, Kernel **processed** 1,001 thousand tons of **oilseeds** in 2Q FY2021, up 5% y-o-y on the back of the launch of sunflower seed tolling operations on the third-party owned oilseed processing plant in Kharkiv region, Ukraine. Processing capacity of all group-owned crushing plants was fully utilized during the reporting period.
- Sunflower oil sales volumes** in 2Q FY2021 exceeded 425 thousand tons, adding 23% compared to the low base of last year. Sales volumes in the reporting period were largely in line with production volumes. Bottled sunflower oil sales amounted to 9.1% of total sales volumes.
- Group's **silos in-take volumes** in 1H FY2021 decreased by 9% y-o-y, to 3.6 million tons, reflecting lower crop size of Group's farming business in the current season.
- Export terminals throughput volumes in Ukraine** surged to 2.4 million tons, up 41% y-o-y, driven by incremental transshipment capacity of new grain export terminal in the port of Chornomorsk.
- Grain export volumes from Ukraine** in 2Q FY2021 increased by 6% y-o-y, to 2.4 million tons, of which 52% was grain originated from external suppliers and the remaining was produced by Group's Farming segment.

Corporate update:

- An annual general meeting of shareholders held on 10 December 2020 approved a dividend of USD 0.42 per share for the financial year ended June 30, 2020, which was paid on January 14, 2021. The dividend implies 30% payout ratio and represents 68% dividend increase year-on-year.

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