

KERNEL HOLDING S.A.

OPERATIONS UPDATE FOR THE THREE MONTHS ENDED 31 MARCH 2021

Segment volumes

metric tons	Q3 FY2020	Q3 FY2021	y-o-y	9M FY2020	9M FY2021	y-o-y
Oilseeds processed	940,658	901,618	(4%)	2,520,370	2,565,523	2%
Edible oil sales ¹	380,923	371,937	(2%)	1,028,849	1,093,519	6%
Grain and oilseeds received in inland silos	124,537	109,021	(12%)	4,120,014	3,743,057	(9%)
Export terminal's throughput (Ukraine)	1,937,516	2,056,780	6%	4,824,937	6,308,233	31%
Grain export from Ukraine ²	2,154,597	1,824,186	(15%)	6,038,275	6,345,179	5%

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:

- Kernel processed 902 thousand tons of oilseeds in Q3 FY2021, down 4% y-o-y due to the low harvest of sunflower seeds in Ukraine this season.
- Sunflower oil sales** in Q3 FY2021 marginally declined 2% y-o-y, to 372 thousand tons, mirroring the dynamics in the sunflower processing volume. Bottled sunflower oil sales composed 10% of total sales.
- Grain export volume from Ukraine** in January-March 2021 dropped 15% y-o-y, to 1.8 million tons, of which 1.3 million tons had been originated from external suppliers and the remaining had been produced by Company's farming division. Slowdown in the grain export volume was caused mostly by a substantial grain harvest reduction this season in Ukraine (including Company's farming operations) and the respective decline of the exportable grain surplus for the country.
 - While the grain export volume declined, Kernel's market share in grain export from Ukraine continued to increase, reaching 16.3% for 9M FY2021 from 12.3% for the same period of the previous season¹.
- Company's **export terminal throughput volume in Ukraine** increased to 2.1 million tons in Q3 FY2021, up 6% y-o-y. Transshipment volume exceeded the grain export volume from Ukraine, as Company substantially increased the scale of sunflower meal transshipment operations on its terminals in Chornomorsk, with such goods being exported through third-party terminals before.
- Silo in-take volume** exceeded 3.7 million tons over 9 months of FY2021, down 9% y-o-y, mostly reflecting lower crop size of Group's farming business in the current season.

Condensed Consolidated Interim Financial Statements for the three months ending 31 March 2021 will be published before market opening on 28 May 2021.

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¹ Source: Stark Research