

The logo for Kernel, featuring the word "KERNEL" in white, uppercase, sans-serif font on a dark green rectangular background.

Current report no 15/2023

dated 21 April 2023

**CORRECTIVE STATEMENT OF
CURRENT REPORT NO 13/2023 WITH RESPECT TO THE BOARD'S DECISION ON THE
WITHDRAWAL OF THE SHARES OF KERNEL HOLDING S.A. FROM TRADING ON THE
REGULATED MARKET OPERATED BY THE WARSAW STOCK EXCHANGE**

Kernel Holding S.A., a company with registered office in Luxembourg, hereby makes available a corrected version of the opinion of the Board of Directors appended as Annex 1 to the current report no 13/2023 dated 13 April 2023 which contained a clerical defect. The previously published opinion of the Board of Directors which has been attached as Annex 1 to the current report no 13/2023 dated 13 April 2023 erroneously referred to the Luxembourg Law of 19 May 2006 transposing Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids which does not apply in the case at hand.

Annex 1 to the current report no 15/2023 thus replaces and supersedes Annex 1 to the current report no 13/2023 dated 13 April 2023.

Legal grounds: Article 80 of the Act on Public Offering and Art. 17 of REGULATION (EU) No 596/2014 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 16 April 2014 on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.

Signatures of individuals authorised to represent the Company:

Anastasiia Usachova

Viktoriiia Lukianenko

Annex 1

STATEMENT OF THE BOARD OF DIRECTORS OF KERNEL HOLDING S. A. WITH ITS REGISTERED SEAT IN LUXEMBOURG OF 13 APRIL 2023 REGARDING THE PUBLIC TENDER OFFER FOR THE ACQUISITION OF ALL SHARES IN KERNEL HOLDING S.A. ANNOUNCED ON 30 MARCH 2023 BY NAMSEN LIMITED, WITH ITS REGISTERED SEAT IN NICOSIA, CYPRUS

(Corrected version)

The Board of Directors of Kernel Holding S.A., with its registered seat in Luxembourg (the "**Board of Directors**") (the "**Company**", "**Kernel**"), hereby presents its position regarding the public tender offer (the "**Delisting Tender Offer**") announced by Namsen Limited, with its registered seat in Nicosia, Cyprus (the "**Bidder**"), on 30 March 2023, for the acquisition of all shares in the Company in connection with the Bidder's intention withdraw the Company from trading on the regulated market of the Warsaw Stock Exchange.

I. Brief summary of the Delisting Tender Offer

According to the Delisting Tender Offer:

- the Delisting Tender Offer is announced pursuant to Article 91 section 5 of the Polish Act of 29 July 2005 on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading and Public Companies (the "**Public Offering Act**") and pursuant to the Regulation of the Minister of Finance dated 23 May 2022 on forms of tender offers for the sale or exchange of shares in a public company, the manner and procedure for submitting and accepting subscriptions in a tender offer and acceptable types of securities;
- the Bidder intends to acquire all ordinary bearer shares in the Company's share capital, dematerialized, admitted and introduced to trading on the main market of the Warsaw Stock Exchange S.A., registered with the Polish National Depository for Securities under the ISIN code LU0327357389 (the "**Shares**");
- as at the date of the announcement of the Delisting Tender Offer, the Bidder holds in total 31,974,011 Shares representing 38.05% of the total share capital issued and granting the rights to 41.29% of votes at the general meeting of shareholders. The Bidder's parent entities and subsidiaries do not hold any Shares in the Company;
- as a result of the Delisting Tender Offer, the Bidder, directly or indirectly, intends to hold all of the Company's Shares, i.e. up to 84,031,230 (say: eighty-four million thirty-one thousand two hundred and thirty) Shares consisting of 77,429,230 Shares with voting rights attached, entitling it to 77,429,230 (say: seventy-seven million four hundred and twenty-nine thousand two hundred and thirty) votes at the General Meeting and 6,602,000 treasury Shares currently having no voting rights, representing 100% of the total number of votes at the General Meeting and 100% of the Company's share capital. All Shares tendered in the Delisting Tender Offer would be acquired by the Bidder;
- the price per each Share is equal to PLN 18.50 (eighteen Polish Zloty and 50 grosz);
- the subscription period shall last between 31 March 2023 and 4 May 2023.

II. Position of the Company's Board of Directors on the Delisting Tender Offer.

The Company's Board of Directors, in accordance with the information presented below, expresses its positive opinion towards the Delisting Tender Offer to subscribe for the sale of the Company's Shares.

1. Reservations

For the purposes of drafting this statement, the Board of Directors analysed the following external sources of information and data available thereto:

- a. the Delisting Tender Offer document;
- b. the market prices of the shares in the Company in the six months preceding the announcement of the Delisting Tender Offer;
- c. the letter of the Bidder addressed to the Board of Directors of the Company disclosed in the Company's current report no 08/2023 dated 06 March 2023 (the "**Namsen Letter**");
- d. communication received from other shareholders; and
- e. the opinion of an independent advisor on the fairness of the price of the shares in the Delisting Tender Offer (the "**Fairness Opinion**").

For the purposes of preparing this position, subject to a review of the external sources of information and data as referred to above, the Board of Directors has not taken any actions to obtain, collect or analyse any data that does not originate from the Company. The Board of Directors did not mandate any additional third-party reviews or analyses in connection with the Delisting Tender Offer or the content thereof other than the Fairness Opinion.

Subject to the information supplied by the Company regarding its business, including those subjected to a third-party audit, the Board of Directors accepts no liability for the accuracy, reliability, completeness or adequacy of the information serving as the basis of this position.

The position of the Board of Directors presented in this document does not constitute a recommendation to buy or sell the shares in the Company or any other financial instruments as referred to in *Regulation (EU) No. 596/2014 of the European Parliament and of the Council on market abuse (market abuse regulation) and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC or in Commission Delegated Regulation (EU) 2016/958 of 9 March 2016 supplementing Regulation (EU) No. 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the technical arrangements for objective presentation of investment recommendations or other information recommending or suggesting an investment strategy and for disclosure of particular interests or indications of conflicts of interest.*

Each investor that makes an investment decision regarding the Shares in connection with this position of the Board of Directors regarding the Delisting Tender Offer needs to, based on all of the relevant information, including the information supplied by the Bidder and the Company, specifically in connection with compliance with the relevant information requirements, make its own assessment of the investment risk involved in the holding, continued holding or acquisition of financial instruments, inclusive of seeking individual advice or recommendations from licensed advisors to the extent necessary to make the right decision. The decision concerning the sale of the Shares in response to the Delisting Tender Offer must be an independent decision of each shareholder of the Company. In particular, each shareholder of the Company, for the purposes of analysing the ways in which it may respond to the Delisting Tender Offer, should assess the investment risk related thereto and all of the legal and/or tax implications in respect thereof.

2. The impact of the Delisting Tender Offer on the Company's interests, the Bidder's strategic plans regarding the Company and their probable impact on the employment at the Company and the opinion of the Board of Directors on the strategic plans of the Bidder

The Bidder is a Cyprus based limited liability company ultimately controlled by Mr. Andrii Verevskyi, the Chairman of the Board of Directors and founder of Kernel. The Board of Directors notes that the Bidder is the largest shareholder of the Company. In the view of the Board of Directors, the Bidder has adequate qualifications, knowledge and experience, which may be beneficial for the Company. The Board of Directors recognizes the leadership skills and entrepreneurial spirit of Mr. Andrii Verevskyi, who remains heavily involved in steering the Kernel Holding group of companies (hereinafter the “**Group**”). The increase of the Bidder’s stake in the Company implies even more focus and dedication of the largest shareholder. In the current circumstances, when due to the war in Ukraine the solvency of the Company and the Group depends on the commitment of its debtholders, such step sends a strong positive signal to the Group’s creditors, serving the best interest of the Company. A key shareholder has expressed its commitment to support Company’s capital and financial structure several times since launch of full-scale military invasion of Ukraine by Russia. The higher participation of the Bidder in the share capital of the Company the higher the Board of Directors’ confidence in its ability to navigate the Company during these unprecedented times by having a dedicated shareholder base, flat decision-making process with focus on long-term goals. Thus, the Board of Directors believes that the Delisting Tender Offer is in the interest of the Company.

In accordance with the Delisting Tender Offer document and Namsen Letter, the Bidder initiated the process of delisting the Company, in compliance with all applicable regulations, and invited the Board of Directors to consider the delisting of the Company from the Warsaw Stock Exchange and take the respective decisions within the limits of the Board of Directors’ powers and responsibilities.

According to the Delisting Tender Offer document, depending on the results of the Delisting Tender Offer, the Bidder will consider conducting a squeeze-out of the Company’s Shares held by other shareholders, in accordance with applicable Luxembourg law.

In accordance with the Delisting Tender Offer document and Namsen Letter, the strategic plans of the Bidder for Kernel primarily include the stabilization and maintaining of the Group’s operations during the war in Ukraine, and the development and increase of the scale of the Group’s operations post-war, as envisaged in the Group’s Strategy 2026 specified in the Group’s annual reports. The Board of Directors is of the opinion that such Bidder’s plans coincide with the Board of Directors’ internal view on the strategy of the Group. In the opinion of the Board of Directors, the strategic plans of the Bidder for the Company in connection with the Delisting Tender Offer do not give grounds to claim that they will have a negative impact on employment at the Company.

3. Position of the Board of Directors concerning the impact that the Delisting Tender Offer could have on the location of the Company’s business in the future

The Board of Directors shares and confirms the opinion presented in the Delisting Tender Offer document and the Namsen Letter that the Delisting Tender Offer and withdrawal of the Company’s Shares from trading on the regulated market operated by the Warsaw Stock Exchange will not have any impact on the location of the Company’s business in the future.

4. Position of the Board of Directors concerning the impact that the Delisting Tender Offer could have on employment in the Company

The Board of Directors shares and confirms the opinion presented in the Delisting Tender Offer document and the Namsen Letter, that the Delisting Tender Offer and withdrawal of the

Company's Shares from trading on the regulated market operated by the Warsaw Stock Exchange will not have an adverse impact on employment in the Company.

5. Position of the Board of Directors concerning the price for the Shares offered in the Delisting Tender Offer

With respect to the price offered in the Delisting Tender Offer, the Board of Directors notes that, pursuant to Article 79 of the Public Offering Act, the price for the Shares in the Company offered in the Delisting Tender Offer cannot be lower than:

- the average market price in the six-month period preceding the announcement of the Delisting Tender Offer during which the shares were traded on the main market of the WSE;
- the average market price in the three-month period preceding the announcement of the Delisting Tender Offer during which the shares were traded on the main market of the WSE;
- the highest price paid for the shares that are the subject of the Delisting Tender Offer by the entity required to announce such tender offer, any subsidiaries or parent entities thereof, or by entities who are parties to the agreement concluded therewith as referred to in Article 87, section 1(5) of the Public Offering Act, in the 12 months prior to the announcement of the Delisting Tender Offer; or
- the highest value of the things or rights that were provided by the entity required to announce such tender offer, any subsidiaries or parent entities thereof, or by entities who are parties to the agreement concluded therewith as referred to in Article 87, section 1(5) of the Public Offering Act, in exchange for the shares subject to the public tender offer in the 12 months prior to the announcement of the Delisting Tender Offer.

The average market price is the arithmetic mean of the average daily prices of the shares in the Company weighted by trading volume on the WSE during the relevant period.

Based on the wording of the Delisting Tender Offer:

- a) The market price determined as the arithmetic mean of the average daily prices of the Shares weighted by volume in the period of the 6 (six) months preceding the announcement of the Delisting Tender Offer during which the Shares were traded on the main market of the WSE is PLN 18.4376 (eighteen Polish zloty and forty-three point seventy-six grosz) per Share;
- b) The market price determined as the arithmetic mean of the average daily prices of the Shares weighted by volume in the period of the 3 (three) months preceding the announcement of the Delisting Tender Offer during which the Shares were traded on the main market of the WSE is PLN 18.4909 (eighteen Polish zloty and forty-nine point zero nine grosz) per Share;
- c) Neither the Bidder nor its dominant entities, dependent entities or parties acting in concert pursuant to Article 87 section 1(5) of the Public Offering Act acquired any Shares during the last 12 months prior to the launch of the Delisting Tender Offer for a cash or non-cash consideration;
- d) The Bidder is not, nor was it in the 12-month period prior to the announcement of the Delisting Tender Offer, a party to any agreement referred to in Article 87 section 1(5) of the Public Offering Act.

The price offered in the Tender Offer is PLN 18.50 (eighteen Polish zloty and fifty grosz) per Share, and thus is not lower than the price specified in points a) through c) above. In accordance with the above, the Board of Directors declares that the price offered in the

Delisting Tender Offer complies with the minimum price requirements as presented in Article 79 of the Public Offering Act.

In order to verify whether the price presented in the Delisting Tender Offer corresponds to the fair value of the shares in the Company, the Board of Directors, acting pursuant to Article 80 section 3 of the Public Offering Act, mandated a third party, i.e. Baker Tilly TPA ("**Baker Tilly**") with its registered office in Warsaw, to prepare the Fairness Opinion, i.e. an opinion on the fairness of the price offered for the Shares in the Delisting Tender Offer, subject to the restrictions and qualifications stipulated in such opinion.

On 13 April 2023, Baker Tilly presented the Board of Directors with the Fairness Opinion. Baker Tilly stated in the Fairness Opinion that the share price proposed in the Tender Offer in the amount of PLN 18.50 is in the lower bound of the estimated range of fair value of the Company's equity per share.

Baker Tilly is the financial advisor to the Company and does not represent any other entity in connection with the Delisting Tender Offer and is not responsible for providing the protection offered to its clients with respect to advisory services rendered in connection with the Delisting Tender Offer or the content of this document or any other matter to any entity other than the Company. The Fairness Opinion is attached to this document.

Pursuant to the requirements of Article 80 section 2 of the Public Offering, the Board of Directors, declares that, based on the Fairness Opinion, the price offered in the Tender Offer reflects the fair value of the Company.