



Current report no. 18/2024

dated 17 April 2024

## **OPERATIONS UPDATE – IMPACT OF THE RUSSIAN WAR AGAINST UKRAINE**

Kernel Holding S.A. (the “**Company**”) informs about a significant deterioration in its operating environment due to recent large-scale missile attacks by Russia targeting critical civil infrastructure in Ukraine.

Firstly, these attacks have severely impacted the electricity generation and distribution infrastructure across various regions of Ukraine, resulting in shutdowns at several key facilities including oilseed processing plants, co-generation heat and power plants, silos, and export terminals. The power supply remains unstable, continuing to disrupt the operations of the Company's subsidiaries in Ukraine.

Secondly, Russia's extensive missile assault on the transport infrastructure near the port of Chornomorsk has halted railway deliveries to the port entirely. The Company's grain and sunflower oil transshipment assets located in the port of Chornomorsk heavily relied on railway intake, and this disruption has significantly impacted the transshipment capacity of export terminals, causing the reduction in throughput volumes and increasing the cost of logistics. The timeline to restore railway transportation is currently uncertain.

The management of the Company remains committed to addressing and mitigating the challenges posed by these unfortunate developments.

Legal grounds: 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 authorized to represent the Company:

Anastasiia Usachova

Sergiy Volkov