



Current report no 36/2023

dated 22 October 2023

UPDATE IN RESPECT OF CERTAIN FINANCING FACILITIES OF THE GROUP

Kernel Holding S.A. (the “**Company**”) wishes to announce that the Company and its subsidiaries (the “**Group**”) have secured waiver letters (the “**Waiver Letters**”) pertaining to all its pre-war credit facilities. This includes the ING PXF Facility, the Natixis PXF Facility, the EBRD Facility, the EIB Facilities, and bilateral agreements with both European and Ukrainian banking institutions (collectively, the “**Facility Agreements**”) up to the period ending 30 June 2024 (the “**Effective Period**”). This action is to ensure the Group's stability and the preservation of its business and assets.

The cumulative outstanding balance of the Facility Agreements, now under the purview of the Waiver Letters, stands at USD 773 million. In accordance with the Waiver Letters, the Group, in agreement with its lenders, will defer any principal repayment throughout the Effective Period and waive specific potential or actual defaults or events of default due to Russia's invasion of Ukraine. The Waiver Letters outline several conditions set forth by the creditors for the Group. These include maintaining a CapEx basket to sustain ongoing operations and executing Cash-sweep prepayments, among other stipulations. Notably, one of the conditions – shareholders' support through a new equity injection - was fulfilled on 1 September 2023. The Waiver Letters aim to bolster the Group's financial resilience during the Effective Period. The Group extends its gratitude to its Lenders for their unwavering support in these challenging times.

Further, the waiver documentation permits the repayment of pre-war Facility Agreements at a minimum discount of 25%. One of the Group's lenders has already consented to the complete settlement of its exposure at this 25% discount rate.

The Group reiterates its dedication to settling all Eurobond coupon payments and ensuring punctual interest payments on all credit facilities as outlined.

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 authorised to represent the Company:

Anastasiia Usachova

Viktoriiia Lukianenko