

Current report no 7/2018

dated 17 May 2018

CHANGE IN A SUBSTANTIAL BLOCK OF SHARES IN KERNEL HOLDING S.A.

Kernel Holding S.A. (herein **“the Company”**) informs that it has received a notification from TFI PZU SA with its registered office in Warsaw, Poland, acting for and on behalf of investment funds under management:

- PZU Fundusz Inwestycyjny Otwarty Parasolowy,
- PZU Specjalistyczny Fundusz Inwestycyjny Otwarty Globalnych Inwestycji,
- PZU Specjalistyczny Fundusz Inwestycyjny Otwarty Universum,
- PZU Impuls Specjalistyczny Fundusz Inwestycyjny Otwarty,

hereinafter referred to as the **“TFI PZU Funds”**, regarding the disposal of shares in Kernel Holding S.A.

Pursuant to the provisions of Art. 69 Section 1 Clause 2 and Art. 87 Section 1 Clause 2 Letter a) of the Act of July 29, 2005 on public offerings and the conditions for introducing financial instruments to an organized trading system and on public companies, on May 17th 2018 TFI PZU Funds notified the Company, that it had disposed 342,708 shares of the Company in transaction on the Warsaw Stock Exchange, settled on May 16th 2018 and decreased its holdings in the Company’s shares below 5% of the total number of votes on General Meeting in Shareholders.

As of May 16th 2018, TFI PZU Funds held 3,806,043 shares in the Company, representing 4.6448% of the share capital and entitling it to 3,806,043 votes at the Company’s general shareholders’ meeting, equal to 4.6448% of the total number of votes.

Before the disposal, TFI PZU Funds held 4,148,751 shares in the Company, representing 5.0631% of the share capital of the company.

Legal grounds: Art. 69 of the Act of 29 July 2005 on public offerings, conditions governing the introduction of financial instruments to the organised trading system, and public companies.

Signatures of individuals authorized to represent the Company:

Yuriy Kovalchuk

Anastasiia Usachova