

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

Current report no 09/2022

dated 10 February 2022

**FITCH REVISES OUTLOOK ON KERNEL'S LONG-TERM FOREIGN-CURRENCY ISSUER
DEFAULT RATING TO STABLE AND AFFIRMS AT 'BB-'**

In a press release by Fitch Ratings, the agency has revised the Outlook on Kernel Holding S.A.'s Long-Term Foreign-Currency (herein “FC”) Issuer Default Ratings (herein “IDR”) to Stable from Positive and affirmed the IDR at 'BB- '.

The rating actions follow the revision of the Outlook on Ukraine's sovereign rating (B/Stable). At the same time, the affirmation reflects Fitch's expectations that Kernel will maintain its conservative capital structure after completion of its expansion programme in FY22 (ending June 2022). Together with increasing scale, improved product diversification and a record of financial discipline, this points to a strengthening credit profile, which is reflected in the Positive Outlook on Kernel's Long-Term Local-Currency IDR.

Kernel's FC IDR continues to benefit from a two-notch uplift from the Ukrainian Country Ceiling of 'B', due to strong hard-currency debt service ratios.

For a full text of the press release related to the rating update, please refer to the following link: [Fitch Revises Outlook on Kernel's FC IDR to Stable; Affirms at 'BB-'](#). The definition of capitalized terms and applicable research criteria can be accessed at Fitch's Corporate Rating Methodology.

Legal grounds: Art. 56.1.1 of the Act of 29 July 2005 on public offerings, conditions governing the introduction of financial instruments to the organized trading system, and public companies.

Signatures of individuals authorized to represent the Company:

Anastasiia Usachova

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